

Podravka Inc.
Annual report
for 2025



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1 Structure and ownership



STRUCTURE and Ownership

Podravka is a joint-stock company listed on the Prime Market of the Zagreb Stock Exchange. The Podravka Group is comprised of a number of affiliated companies owned by Podravka Inc.

PODRAVKA INC.

Name of subsidiary	Ownership interest of Podravka Inc.
Podravka Ltd., Ljubljana, Slovenia	100.00%
Žito Ltd., Ljubljana, Slovenia	100.00%
Intes Storitve Ltd., Maribor, Slovenia*	100.00%
Žito maloprodaja Ltd., Ljubljana, Slovenia*	100.00%
Mirna Inc., Rovinj, Croatia	100.00%
Podravka-Lagris a.s., Dolni Lhota u Luhačovic, Czech Republic	100.00%
Podravka-Polska Sp.z o.o., Warszawa, Poland	100.00%
Podravka-International Kft, Budapest, Hungary	100.00%
Podravka Ltd., Belgrade, Serbia	100.00%
Podravka-Int. Deutschland –“Konar” GmbH, Germany	100.00%
Podravka-International s.r.o., Zvolen, Slovakia***	100.00%
Podravka Ltd., Podgorica, Montenegro	100.00%
Podravka-International Pty Ltd, Silverwater, Australia	100.00%
Podravka EOOD, Sofia, Bulgaria	100.00%
Podravka-International s.r.l., Bucharest, Romania	100.00%
Podravka DOOEL, Petrovec, North Macedonia	100.00%
Podravka Ltd., Sarajevo, Bosnia and Herzegovina	100.00%
Podravka USA Inc., New York, USA	100.00%
Podravka Ltd., Moskva, Russia*****	100.00%
Foodpro Limited, Dar es Salaam, Tanzania****	100.00%
Podravka Gulf Fze, Jebel Ali, Dubai, UAE	100.00%
Belupo Inc., Koprivnica, Croatia	100.00%
Ljekarne Deltis Pharm, Koprivnica, Croatia**	100.00%
Farmavita Ltd. Sarajevo, Vogošća, Bosnia and Herzegovina**	65.00%
Belupo dooel, Skopje, North Macedonia**	100.00%
Belupo s.r.o. Bratislava, Slovakia**	100.00%
Belupo Ltd. Ljubljana, Slovenia**	100.00%
Podravka Agri Ltd.*****	84.99%
Belje plus Ltd., Darda, Croatia	100.00%
Pik-Vinkovci plus Ltd., Vinkovci, Croatia	100.00%
Vupik plus Ltd., Vukovar, Croatia	100.00%
Energija Gradec Ltd., Sesvete, Croatia	100.00%
Belje agro-vet plus Ltd., Mece, Croatia	100.00%
Felix plus Ltd., Vinkovci, Croatia	100.00%

* Podravka Inc. holds these ownership interests indirectly through its subsidiary Žito Ltd.

** Podravka Inc. holds these ownership interests indirectly through its subsidiary Belupo Inc.

*** 25% of ownership interest is held indirectly through the subsidiary Podravka-Lagris a.s., Dolni Lhota u Luhačovic

**** 15% of ownership interest is held indirectly through the subsidiary Podravka-Int. Deutschland – “Konar” GmbH

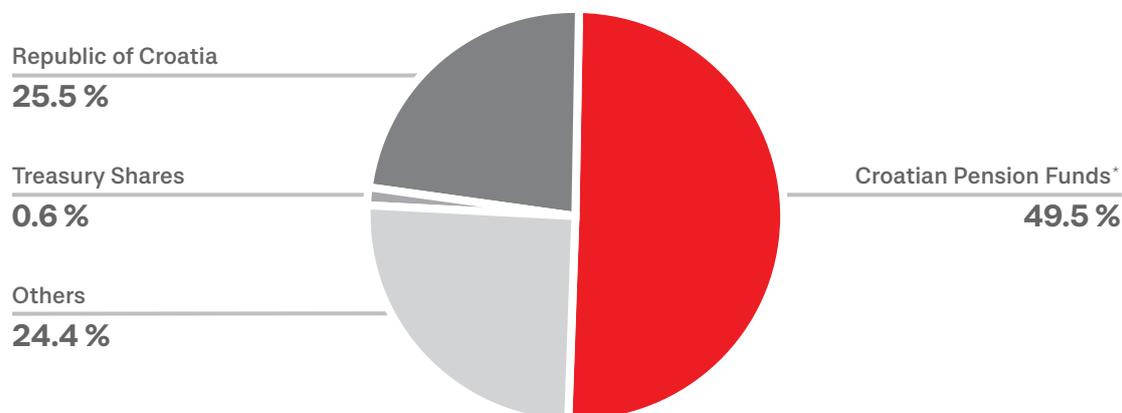
***** Business activities are suspended during 2022

***** At the General Assembly of Podravka Agri Ltd. held on 27 January 2025, a decision was adopted to increase the share capital, through which the European Bank for Reconstruction and Development acquired a 15.01% ownership stake in Podravka Agri Ltd. On 31 January 2025, Podravka Inc. completed the acquisition of the agricultural segment of Fortenova group. Through the newly established company Podravka Agri Ltd., in which Podravka holds 84.99% ownership and the European Bank for Reconstruction and Development (EBRD) 15.01%, the companies Belje plus Ltd., Vupik plus Ltd., PIK Vinkovci plus Ltd., Energija Gradec Ltd., Belje Agro-Vet plus Ltd. and Felix plus Ltd. were acquired.



OWNERSHIP STRUCTURE OF PODRAVKA INC.

as of December 31, 2025



List of 10 largest shareholders of Podravke Inc. as of 31 december 2025

Shareholder	Number of shares	% of ownership
1. RSC** - Republic of Croatia	1,187,732	16.7%
2. PBZ Croatia Osiguranje mandatory pension fund, category B	1,097,644	15.4%
3. AZ mandatory pension fund, category B	934,026	13.1%
4. Raiffeisen mandatory pension fund, category B	625,298	8.8%
5. Erste Plavi mandatory pension fund, category B	613,643	8.6%
6. Pivac Brothers Meat Industry	511,519	7.2%
7. Capital Fund	406,842	5.7%
8. HPB d.d. / Republic of Croatia	167,281	2.3%
9. Radnik d.d.	77,778	1.1%
10. Bistra d.o.o.	75,015	1.1%
Other shareholders	1,423,225	20.0%
● Total	7,120,003	100.0%

* Includes all mandatory and voluntary pension funds managed by the pension companies: AZ, ROMF, PBZCO and ERSTE.

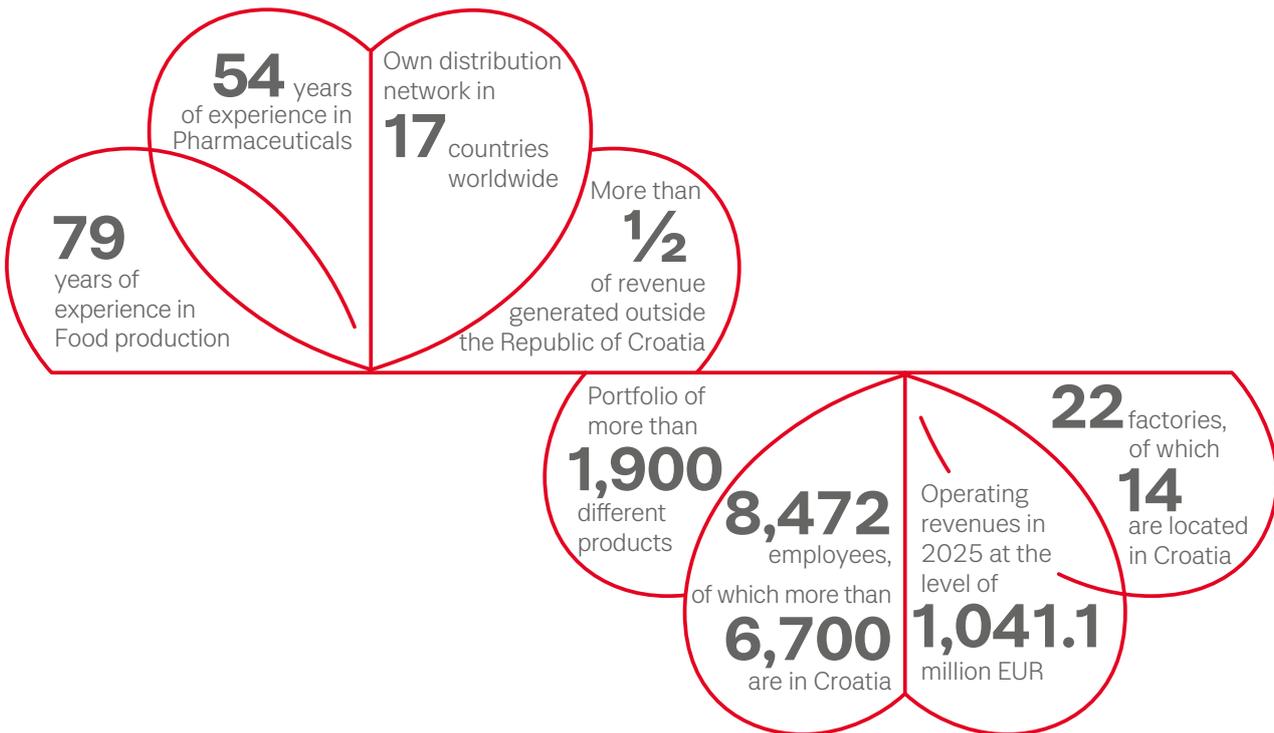
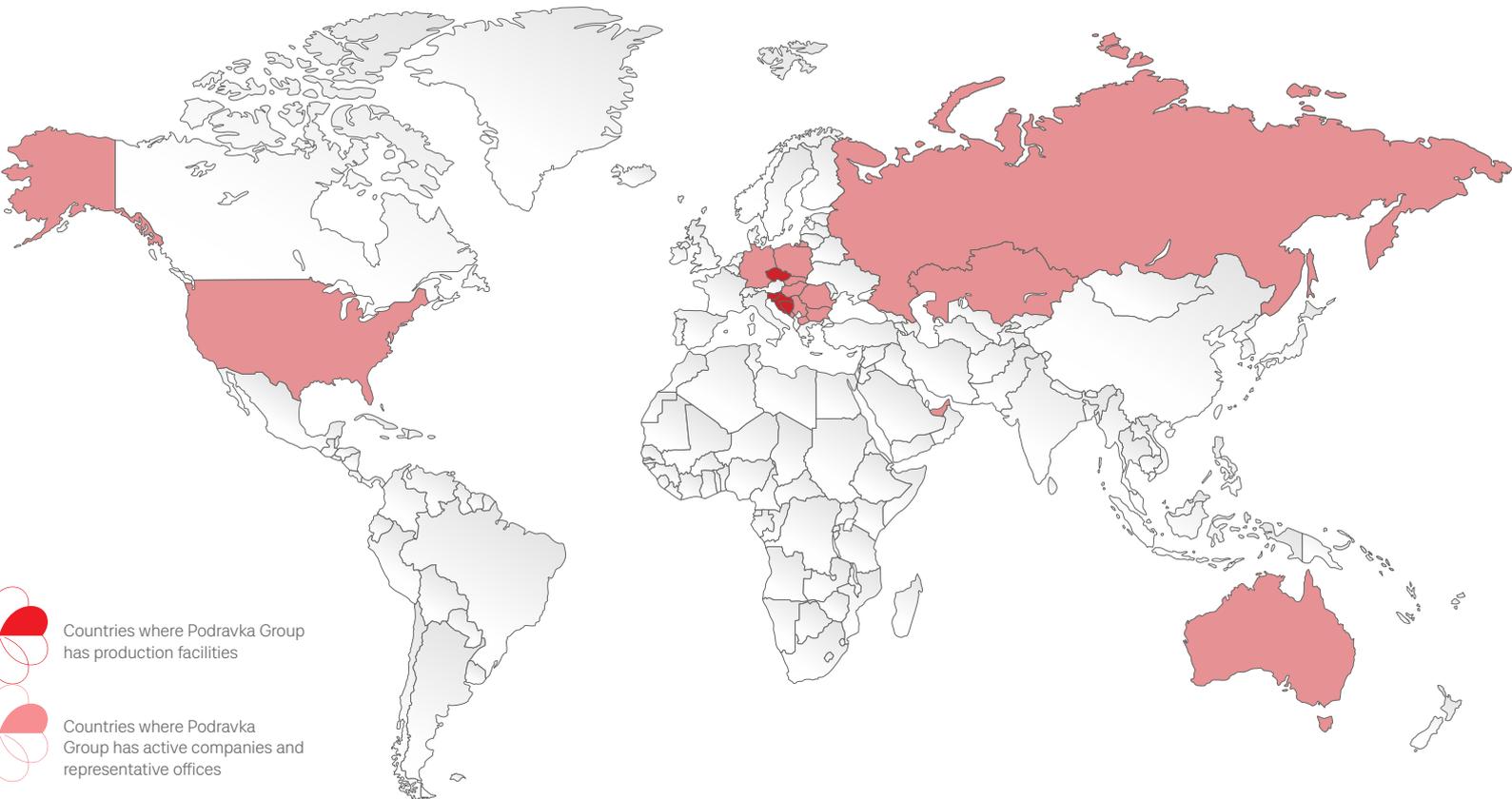
** The Restructuring and Sale Centre holds 1,241,504 shares through two accounts, Capital Fund Inc. holds 406,842 shares, the Republic of Croatia additionally holds 167,281 shares on a separate account



2 Corporate Profile of Podravka Group



- Headquarters: Koprivnica, Republic of Croatia
- The most internationalized company based in the Republic of Croatia
- The leading culinary institution in Central and Southeastern Europe





3 Foreword by the President of the Management Board of Podravka Inc.



Dear shareholders, partners and employees,

It is my great pleasure to present the Podravka Inc.'s Annual Report for 2025, a year in which we achieved a historic business result, surpassed the milestone of one billion euros in revenue, and completed key strategic transactions that have permanently reshaped the profile of our Group.

First and foremost, I would like to extend my sincere congratulations and gratitude to all our employees across all Group companies, whose hard work, expertise and dedication were crucial to our success in an exceptionally demanding environment.

In 2025, the Podravka Group generated operating revenues of EUR 1,041 million, achieving historically high profitability at the Group level. Despite a challenging global environment, both the Food and Pharmaceuticals segments recorded growth in sales and operating profit, confirming the strength of our core business and the soundness of our strategic decisions focused on internationalisation, innovation and efficiency improvements.

The Food segment continued to grow, primarily driven by the expansion of Podravka's product portfolio, as well as the widening and growth of distribution, including cooperation with principals. This provides us with additional stability and a strong foundation for further export expansion, and confirms that investments in brands, new products, logistics, and distribution were well-timed and well-judged.

The Pharmaceuticals segment also continued its stable and profitable growth, particularly in international markets and markets across Southeast Europe, supported by a competitive portfolio of prescription and over-the-counter products. Continuous investments in product development, quality and regulatory compliance are further strengthening our second business pillar in line with the Group's long-term strategy.



The most significant strategic step in 2025 was the entry into the Agri segment through the acquisition of agricultural companies – Belje, PIK Vinkovci, Vupik, Energija Gradec and Agrovet – and the establishment of Podravka Agri Ltd., in which Podravka holds a majority stake. Through this transaction, we assumed management of a significant share of Croatian agricultural production and established the third pillar of our business, which will play a key role in strengthening sustainable self-sufficiency, supply security and value creation for the entire Group in the years ahead.

Although the Agri segment in 2025 was under pressure due to lower prices and challenges related to African swine fever, as well as changes in the business structure compared with the previous year, the implemented reorganisation, the new operating model and the investment cycle that has already begun have enabled the establishment of solid foundations for future growth in efficiency and profitability. This confirms that the

integration of the new segment is well positioned and that it will contribute to the Group's overall results in the coming years.

In recent years, we completed the most intensive investment cycle in the Group's history, during which almost EUR 250 million were invested in modernisation, new technologies, digitalisation, energy efficiency and improvements in working conditions. In 2025, we continued to manage our portfolio in a disciplined manner, completing the divestment of the Confectionery business and the pharmacy operations, further focusing on our core activities and releasing resources for investment in key segments.

We also continued to place special emphasis on our employees and their material rights, maintaining the trend of significant salary increases, improvements in working conditions and development programmes initiated in previous years. At the same time, we remained committed to the principles of equality and diversity, which is also reflected in the structure of our workforce, particularly in managerial positions.

Sustainability remains one of the fundamental strategic commitments of the Podravka Group. We continue to reduce emissions, increase the share of renewable energy sources, improve packaging in line with circular economy principles and develop products with a more favourable nutritional profile, while responsibly managing our impact on the environment, employees and the communities in which we operate. In 2025, we further enhanced our sustainability management processes

and integrated the new Agri segment into the system for collecting and analysing data, establishing solid foundations for further strengthening ESG standards.

We are aware that the global environment remains unstable and uncertain, with pressures on costs, geopolitical risks and changes in consumer behaviour. Nevertheless, the structure of our business model, our strong financial position, the completed investment cycle, strategic acquisitions and strong teams across all three segments give us the confidence to continue delivering sustainable and high-quality growth in the coming period, strengthening our international position and creating additional value for our shareholders and all other stakeholders.

I would like to thank all our employees for their dedication and achievements, our shareholders for their trust, and our partners and the communities in which we operate for their cooperation to date and in the future. Together, we are building the Podravka of the future — a modern, international and sustainable company founded on high-quality products, strong brands, responsible management and respect for people and the environment.

Yours sincerely,

Martina Dalić, PhD

President of the Management Board of Podravka Inc.



4 Management Board of Podravka Inc.





In accordance with the provisions of the Articles of Association of Podravka Inc., the Management Board consists of three to six members appointed by the Supervisory Board. The Management Board is appointed for a term determined by the Supervisory Board, with the possibility of reappointment. If the President and individual members of the Management Board are appointed during the term of the existing Management Board, their mandate lasts until the expiration of the entire Board's mandate. The term of office begins on the date of appointment unless otherwise specified by the Supervisory Board's decision.

Members of the Management Board manage the company's operations, and the organization and division of responsibilities among them are regulated by the Rules of Procedure of the Management Board, adopted by the Management Board of Podravka Inc. with the approval of the Supervisory Board of Podravka Inc.

The Management Board consists of the President and four members appointed by the Supervisory Board of Podravka Inc.

MEMBERS OF THE MANAGEMENT BOARD OF PODRAVKA INC. IN 2025:

1. Martina Dalić / *President*
2. Davor Doko / *Member*
3. Ljiljana Šapina / *Member*
4. Milan Tadić / *Member*
5. Ivan Ostojčić / *Member*

The remuneration of the Management Board members of Podravka Inc. is determined by a contract concluded with the company and approved by the Supervisory Board of Podravka Inc. on behalf of the company.

Members of the Management Board of Podravka Inc. have not been granted or paid any compensation for their membership in the supervisory boards of Podravka Group companies.

In 2025, 61 meeting of the Management Board of Podravka Inc. was held, with a recorded attendance of 99.02% by the Board members.

BIOGRAPHIES OF THE MANAGEMENT BOARD MEMBERS

MARTINA DALIĆ

President of the Management Board



Martina Dalić was first appointed as President of the Management Board of Podravka Inc. in February 2021. She was reappointed as President of the Management Board of Podravka Inc. in February 2022.

Dr. Martina Dalić has extensive experience in both the public and private sectors, as well as in international institutions.

In her public sector career, she served as Deputy Prime Minister of the Republic of Croatia and Minister of Economy, Entrepreneurship, and Crafts (2016–2018), Minister of Finance (2010–2011), State Secretary (2004–2008), and Assistant Minister of Finance (1997–2000). She was also a member of the Croatian Parliament from 2011 to 2015.

She gained significant experience in the private sector as well. From 2008 to 2010, she was President of the Management Board of Partner Banka Zagreb, and from 2000 to 2004, she served as Chief Economist at Privredna Banka Zagreb. From 2015 to 2016, she was a permanent advisor for public finance management at the International Monetary Fund in Washington.

Between 2005 and 2012, Dalić was Deputy Chief Negotiator and Negotiator for Croatia's accession to the European Union, responsible for four chapters: Customs Union, Taxation, Financial Control, and Budgetary and Financial Provisions.

She graduated from the Faculty of Economics at the University of Zagreb, where she began her professional career as an assistant at the Department of Organization and Management. She earned her Ph.D. in 2012.



DAVOR DOKO

*Member of the
Management Board*



Davor Doko was first appointed as a member of the Management Board of Podravka Inc. in May 2017. He was reappointed in February 2022.

He began his professional career in 2000 in the Asset Management Department of Zagrebačka Banka as an assistant portfolio manager, where he participated in establishing an investment fund management company within Zagrebačka Banka. Two years later, he joined the AZ Mandatory Pension Fund team. As a procurator and chief portfolio manager, he actively participated in the investment process.

Since 2006, he has been a member of the Management Board of Allianz ZB Ltd., a company managing mandatory pension funds, responsible for investments. In the AZ Voluntary Pension Funds, he was responsible for investments, managing all aspects of the investment process.

He graduated from the Faculty of Economics at the University of Zagreb. Throughout his career, he has attended numerous professional development programs and participated in conferences related to investment and capital markets.

Also, as of 2025, he serves as President of the Management Board of Podravka Agri Ltd.

LJILJANA ŠAPINA

*Member of the
Management Board*



Ljiljana Šapina was first appointed as a member of the Management Board of Podravka Inc. in February 2017. She was reappointed in February 2022.

She has been employed at Podravka Inc. since 1984, gaining experience in various managerial and director positions in Accounting and Finance, Retail, Gastro Sales, Frozen Program, Common Market Affairs, and Export Preparation. In 2012, she became Director of the Import-Export Logistics Service, and in 2015, she was appointed Head of the Import-Export Logistics Department.

She graduated in International Trade from the Faculty of Economics at the University of Zagreb, where she also earned her master's degree in 2012.



MILAN TADIĆ

*Member of the
Management Board*



Milan Tadić was appointed as a member of the Management Board of Podravka Inc. in February 2022.

He began his professional career in 1986 at the Croatian Pension Insurance Institute as a property rights representative. He joined Podravka as a specialist and director of property rights affairs, later becoming Director of the Property Rights Affairs and Contracts Service. He also served as an advisor to the Management Board of Podravka Inc. for international markets, then as Executive Director for International Key Accounts and Executive Director for Central European Markets.

After holding executive director positions at Tvornica Duhana Rovinj, he returned to Podravka in 2014. Since then, he has held various roles, including Executive Director for Southeast Europe, Member of the Management Board of Žito, and Chief Director for the Adriatic Region.

He graduated from the Faculty of Law at the University of Osijek and completed managerial education programs at the Faculty of Economics at the University of Zagreb. He has also attended numerous managerial training sessions and courses in sales and management.

IVAN OSTOJIĆ

*Member of the
Management Board*



Ivan Ostojić was appointed as a member of the Management Board of Podravka Inc. in February 2022, with his term beginning on July 1, 2022.

He began his professional career in 1997 at the Ministry of Finance of the Republic of Croatia in the Directorate for Financial System and Capital Market, where he served as an advisor. From 2000 to 2001, he was a board member of the Directorate for Insurance Supervision and Chairman of the Examination Committee for Certified Insurance Brokers and Agents.

In 2001, he became Head of the Clients/Credit Department and a procurator at Wüstenrot Housing Savings Bank in Zagreb. In 2007, he was appointed a Management Board member responsible for sales and marketing, risk management, and treasury and credit back-office operations.

He graduated in 1996 from the Faculty of Tourism and Foreign Trade in Dubrovnik and earned a master's degree in 2000 from the Faculty of Political Science at the University of Zagreb in Zagreb.

He is a member of the Supervisory Board of Luka Ploče Inc.



5 Supervisory Board of Podravka Inc.





The Supervisory Board of the Company consists of nine members, eight of whom are elected by shareholders at the General Assembly by a three-quarters majority of votes, while one member of the Supervisory Board is appointed by the Workers' Council of the Company in the manner and procedure stipulated by the provisions of the Labor Law. Supervisory Board members are generally elected for a term of four years. The start of the mandate for each member of the Supervisory Board is calculated from the day of election or appointment, unless otherwise determined by the decision on election or appointment. The Supervisory Board oversees the management of the Company, and on matters within its competence, the Supervisory Board makes decisions in accordance with the law, the Articles of Association of Podravka Inc., and the Rules of Procedure of the Supervisory Board.

MEMBERS OF THE SUPERVISORY BOARD OF PODRAVKA INC. IN 2025:

1. Dubravko Štimac / *President since 20 October 2025*
2. Damir Grbavac / *Member; President until 19 October 2025*
3. Luka Burilović / *Vice President*
4. Damir Čukman / *Member*
5. Damir Felak / *Member*
6. Ksenija Horvat / *Member (Representative of the Workers)*
7. Ante Jelčić / *Member until 19 October 2025*
8. Petar Miladin / *Member*
9. Darko Prpić / *Member*
10. Krunoslav Vitelj / *Member*

Members of the Supervisory Board and the Management Board of the Company are primarily selected based on their professional competence, knowledge and relevant experience, with additional consideration given to the application of the principle of balanced gender representation.

Supervisory Board member Darko Prpić is an expert in the fields of accounting and financial statement auditing.

The objective of achieving 30% female representation on the Management Board has been fully met, as women account for 40% of its members, while women represent 11% of the Supervisory Board. The Podravka Group is committed to meeting the objectives set out in the EU Directive on improving gender balance at all levels.

When submitting its next proposal to the Company's General Meeting regarding the election of new Supervisory Board members, the Supervisory Board will take into account the application of the principle of gender equality.

The Supervisory Board of Podravka Inc. has established the following committees: the Audit Committee, the Remuneration Committee and the Nomination Committee.

IN 2025, THE AUDIT COMMITTEE OPERATED IN THE FOLLOWING COMPOSITION:

1. Darko Prpić / *Vice President until 23 July 2025, and President since 24 July 2025*
2. Jeni Krstičević / *Member since 10 July 2025*
3. Dubravko Štimac / *Member since 20 October 2025*
4. Ivana Matovina / *President of the Committee until 29 June 2025*
5. Damir Grbavac / *Member until 19 October 2025*

All members of the Audit Committee are independent in accordance with Article 255, paragraph 6 of the Companies Act and the Corporate Governance Code.

THE REMUNERATION COMMITTEE OPERATED IN THE FOLLOWING COMPOSITION:

1. Luka Burilović / *President of the Committee*
2. Petar Miladin / *Member*
3. Dubravko Štimac / *Member since 20 October 2025*
4. Damir Grbavac / *Member until 19 October 2025*

The Chair and one member of the Remuneration Committee are independent in accordance with Article 255, paragraph 6 of the Companies Act and the Corporate Governance Code.

THE NOMINATION COMMITTEE OPERATED IN THE FOLLOWING COMPOSITION:

1. Dubravko Štimac / *President of the Committee from 20 October 2025*
2. Luka Burilović / *Member*
3. Krunoslav Vitelj / *Member*
4. Damir Grbavac / *President of the Committee until 19 October 2025*

All members of the Nomination Committee are independent in accordance with Article 255, paragraph 6 of the Companies Act and the Corporate Governance Code.

Members of the Supervisory Board of Podravka Inc. are entitled to a monthly fee determined as a fixed amount pursuant to the decision of the General Meeting on the remuneration of the Company's Supervisory Board members.



BIOGRAPHIES OF THE MEMBERS OF THE SUPERVISORY BOARD OF PODRAVKA INC.

DUBRAVKO ŠTIMAC

President of the Supervisory Board

Dubravko Štimac was elected President of the Supervisory Board of Podravka Inc. in October 2025, with his term commencing on 20 October 2025.

He serves as President of the Nomination Committee and as a member of the Audit Committee and the Remuneration Committee of Podravka Inc.

He began his professional career in 1994 as Director of the Foreign Trade Operations Division at PBZ Investholding Ltd. From 1998 to 2001, he worked at Privredna banka Zagreb Inc., first as Director of the Securities Custody Department and subsequently as Project Manager of the pension reform initiative. He assumed the position of President of the Supervisory Board of Podravka Inc. after serving since 2001 as President of the Management Board of PBZ Croatia osiguranje Inc. for the management of mandatory pension funds.

From 2006 to 2012, he was a member of the Supervisory Board of Podravka Inc., and from 2012 to 2019 he served as President of the Supervisory Board of Podravka Inc. He held the position of President of the Supervisory Board of Zagrebačka burza Inc. from 2011 to 2019, while he was a member of the Supervisory Board of Zavarovalnica Triglav Inc. from 2013 to 2017.

He graduated from the Faculty of Economics in Zagreb in 1992, obtained a brokerage licence in 1996, and completed a Master of Science degree in the field of organisation and management at the Faculty of Economics in Zagreb in 1997. In 2002, he obtained a licence for pension fund management. He earned his PhD in 2012 at the Faculty of Economics in Zagreb.

LUKA BURILOVIĆ

Vice President of the Supervisory Board

Luka Burilović was elected as a member of the Supervisory Board of Podravka Inc. in June 2022, with the term beginning on September 8, 2022.

He is the President of the Remuneration Committee and a member of the Nomination Committee of Podravka Inc.

Luka Burilović has been the President of the Croatian Chamber of Economy since 2014. Prior to that, he served as the CEO of Sladorana Inc. in Županja. In his professional career, he also worked as the Assistant Minister in the Ministry of Agriculture, Forestry, and Water Management, and from 1996 to 2004, he was the Deputy Mayor of the Municipality of Nijemci.

Burilović is a member of the Supervisory Board of HBOR and Podravka Inc. Among other roles, he is the President of the Croatian National Committee of the International Chamber of Commerce (ICC), a member of the Board of EUROCHAMBRES (the Association of European Chambers of Commerce), and a member of the Board of the Foundation of the Croatian Academy of Sciences and Arts.

He completed his postgraduate specialist and doctoral studies in economics and management at the Faculty of Economics at the University of Osijek.

He was awarded the Order of Danica Hrvatska with the image of Blaž Lorković for exceptional contributions to the economy. He is a Homeland War volunteer, a reserve officer of the Croatian Army, and a recipient of the Homeland War Memorial Medal.



DAMIR GRBAVAC

Member of the Supervisory Board

Damir Grbavac was elected as a member of the Supervisory Board of Podravka Inc. in June 2022, with the term beginning on July 1, 2022. He has been the President of the Supervisory Board since November 2022.

He is the President of the Nomination Committee, a member of the Audit Committee, and the Remuneration Committee of Podravka Inc.

He began his professional career in 1978 at the Đuro Đaković Group, working from a credit officer to the Deputy General Director of the Holding. In 1997, he moved to Raiffeisenbank Austria Inc. in Zagreb as the Director of the Investment Banking Department. In the same year, he became a member of the Management Board of Raiffeisen Investments, and two years later, he became the President of the Management Board of Raiffeisen Securities Ltd. From 2003, he was an advisor to the Management Board of Raiffeisenbank Austria Inc. in Zagreb, and from 2004 to 2021, he was the President of the Management Board of Raiffeisen Pension Company. He served as a member of the Supervisory Board of companies such as Hrvatski Telekom Inc., Zagrebačka Burza Inc., and Podravka Inc. from 2017 to 2019. He was also a member of the Management Board of the Central Registry of Insured Persons in the first system and the President of the Association of Pension Fund Management Companies and Pension Insurance Companies.

He graduated from the Faculty of Economics at the University of Zagreb in 1978 and obtained a Master's degree from the same faculty in 1985. Holds a license as an authorized manager of pension funds and pension insurance companies.

DAMIR ČUKMAN

Member of the Supervisory Board

Damir Čukman was elected as a member of the Supervisory Board of Podravka Inc. in May 2023, with the term beginning on July 1, 2023.

He started his professional career in 2006 at Erste Securities Ltd., where he worked in various positions, including as the Head of the Asset Management Department, until 2010. In the same year, he became a portfolio manager at Erste Ltd., a pension fund management company. In 2016, he was one of the founders and the first president of the CFA Society Croatia. Since 2013, when he founded N3 Capital Partners Ltd., he has served as the CEO. Since 2021, he has been a member of the Supervisory Board of Quattro Logistics Inc.

He graduated in economics from the Zagreb School of Economics and Management in 2006 and also attended Università Commerciale Luigi Bocconi in Milan and the London School of Economics and Political Science. He has passed the exam for a licensed investment advisor, as well as all three levels of the CFA exams.

DAMIR FELAK

Member of the Supervisory Board

Damir Felak was elected as a member of the Supervisory Board of Podravka Inc. in June 2022, with the term beginning on September 8, 2022.

He began his professional career in 1990 in the Forestry Industry, which, in the following year, became part of the Public Company Hrvatske šume, where he worked until 1997. From 1993 to 1997, he was the Mayor of



the Municipality of Sokolovac, and from 1997 to 2001, he served as the Deputy County Prefect of Koprivnica-Križevci County. He continued his career until 2015 at Hrvatske šume Ltd. as a forester, technical associate, forest manager, and senior technical associate. From 2008 to 2012, he was also a member of the Management Board, and since 2020, he has worked as a senior technical associate at Hrvatske šume.

He served as the President of the Croatian Chamber of Forestry Engineers and Wood Technology for ten years and was elected twice to the Croatian Parliament. He is currently the President of the County Assembly of Koprivnica-Križevci County.

He graduated from the Faculty of Forestry in 1990 and completed a postgraduate specialist study in Strategic Entrepreneurship at the Faculty of Economics at the University of Zagreb in 2013. He is a recipient of the Homeland War Memorial Medal, the Homeland Gratitude Memorial Medal, and the Order of the Croatian Interlace.

KSENIJA HORVAT

Member of the Supervisory Board

Ksenija Horvat was appointed as a member of the Supervisory Board of Podravka Inc. in June 2023 by the Workers' Council of the Company, with the term beginning on July 1, 2023.

She began her professional career at Podravka in 1984, working in administrative and later in market research positions for Croatia.

Since 2001, as the representative of the majority union at Podravka, the PPDIV Union, she has worked full-time

for the union and has been one of the leading union negotiators for the improvement of workers' rights at Podravka through the collective agreement for the Podravka Group. She was first elected to the Workers' Council of Podravka Inc. in 2002 and has served as its President since 2013.

She was the workers' representative on the Supervisory Board of Podravka for the first time from 2004 to 2012, during which time she served as the Deputy President and Acting President of the Supervisory Board from 2009 to 2010.

PETAR MILADIN

Member of the Supervisory Board

Petar Miladin was elected as a member of the Supervisory Board of Podravka Inc. in June 2022, with the term beginning on September 8, 2022.

He is a member of the Remuneration Committee of Podravka Inc.

He started his career at the Municipal and Commercial Court in Zagreb, and in 1997, he joined the Faculty of Law at the University of Zagreb as a junior assistant in the Department of Commercial Law and Company Law. From 2013 to 2015, he served as the Vice Dean of the Faculty of Law at the University of Zagreb. Since 2019, he has been employed at the Faculty of Law as a full professor with permanent tenure.

He obtained a Master's degree in Commercial Law and Company Law from the Postgraduate Scientific Study at the Faculty of Law at the University of Zagreb. He defended his doctoral dissertation in 2005.



DARKO PRPIĆ

Member of the Supervisory Board

Darko Prpić was elected as a member of the Supervisory Board of Podravka Inc. in May 2023, with the term beginning on July 1, 2023.

He served as Vice President of the Audit Committee and since 24 July 2025, has held the position of President of the Audit Committee.

He began his professional career as an analyst at Allianz ZB Ltd., a company for managing mandatory pension funds, and from 2006, he worked as a financial analyst in Prpić Accounting, Auditing, and Tax Consultancy. Since 2007, he has served as the Director of Darfin Ltd., a company specializing in finance, accounting, securities, and consulting. Since 2017, he has been an auditor at UHY Rudan Ltd., and a member of the Supervisory Board of SQ Kapital Ltd.

He graduated in Finance from the Faculty of Economics at the University of Zagreb in 2003, and five years later, he became a permanent court expert in finance, accounting, and securities.

KRUNOSLAV VITELJ

Member of the Supervisory Board

Krunoslav Vitelj was elected as a member of the Supervisory Board of Podravka Inc. in June 2022, with the term beginning on September 8, 2022.

He is a member of the Nomination Committee of Podravka Inc.

He began his professional career in 1977 at Podravka, where he held various managerial positions until 1991. In the same year, he became the head of the Koprivnica Municipal Assembly, and in 1993, he moved to the Ministry of the Interior of the Republic of Croatia, Police

Department of Koprivnica-Križevci County, where he worked as the head of the Civil Protection, Fire Protection, and Inspection Department. He returned to Podravka in 1995 as an advisor to the President of the Management Board for human resources and legal affairs. The following year, he became the director of the Croatian Chamber of Commerce – County Chamber of Koprivnica, a position he has held since 2021.

He graduated from the Faculty of Economics at the University of Zagreb in 1993, where he also earned his Master's degree two years later.

In 2008, he obtained a qualification in Corporate Governance for members of supervisory and management boards at the Faculty of Economics at the University of Zagreb.

ANTE JELČIĆ

Member of the Supervisory Board until 19 October 2025

Ante Jelčić was elected as a member of the Supervisory Board of Podravka Inc. in May 2023, with the term beginning on May 17, 2023.

He began his professional career in 2011 as an investment analyst at PBZ Croatia Osiguranje, where he remained until 2023, later becoming the Head of the Financial Markets Analysis Department. In 2023, he became a member of the Management Board of Gumiimpex – GRP Ltd., overseeing the Commercial Sector, Accounting and Finance, Controlling, IT, Human Resources, and General Affairs. From 2017 to 2019, he was a member of the Supervisory Board and the Audit Committee of the company Stanovi Jadran Inc., and from 2018 to 2019, he served as the Deputy President of the Supervisory Board and member of the Audit Committee of Jadran Inc. Crikvenica.



He earned a Master's degree in Mathematics from the Faculty of Science at the University of Zagreb in 2011. Since 2016, he has been teaching the Business Simulations course at the Master's University Program in Financial and Business Mathematics at the same faculty. He is a holder of the Chartered Financial Analyst (CFA) certificate and a licensed pension fund manager.

JENI KRSTIČEVIĆ
Member of the Audit Committee
since 10 July 2025

Jeni Krstičević was appointed, by decision of the General Meeting, as a member of the Audit Committee of Podravka Inc., with her term commencing on 10 July 2025.

She began her professional career in 1997 at BDO Croatia Ltd., where she held the positions of Executive Director and Audit and Business Advisory Partner. From 2019 to the present, she has served as President of the Management Board of PKF FACT revizija Ltd.

She is a member of the Association of Accountants at the Croatian Chamber of Economy, a permanent court-appointed expert at the Commercial Court in Zagreb, Deputy Chair of the Supervisory Board and Chair of the Audit Committee of Luka Ploče Inc. She also serves as Chair of the Audit Committee at HŽ Putnički prijevoz Ltd. and as a member of the Audit Committee at HŽ Infrastruktura Ltd.

She obtained a Master's degree in Economics, majoring in Finance, at the Faculty of Economics, University of Zagreb, and completed a postgraduate scientific Master's degree in Accounting, Auditing and Analysis at the Faculty of Economics, University of Osijek.

IVANA MATOVINA
President of the Audit Committee
until 29 June 2025

Ivana Matovina was appointed President of the Audit Committee of Podravka Inc. by the General Assembly, with the term beginning on June 30, 2021.

She began her professional career in 1996 as a head of accounting, and from 1997 to 2009, she worked at KPMG Croatia Ltd. After that, until 2011, she worked as a partner and director of Cinotti Auditing Ltd./Cinotti Consulting Ltd. In the same year, she founded her companies Antares Auditing Ltd./Antares Consulting Ltd., which specialize in auditing, internal auditing, accounting, business consulting, and education. From 2009 to 2012, she was a member of the Management Board of the Croatian Chamber of Auditors, and since 2012, she has been a member of the Financial Reporting Standards Committee and the Council of the Croatian Financial Services Supervisory Agency (HANFA).

She graduated in 1996 from the Faculty of Economics at the University of Zagreb, with a major in Accounting and Finance. She became a Chartered Accountant in the United Kingdom in 2000 and two years later earned the title of Croatian Certified Auditor.



6 Report of the work of the Supervisory Board of Podravka Inc.



During 2025, the Supervisory Board of Podravka Inc. operated in the following composition:

Dubravko Štimac / *Chairman of the Supervisory Board from 20 October 2025*

Damir Grbavac / *Chairman of the Supervisory Board until 19 October 2025*

Luka Burilović / *Deputy Chairman of the Supervisory Board*

Damir Čukman, Damir Felak, Ksenija Horvat, Ante Jelčić (until 19 October 2025), Damir Grbavac (from 20 October 2025), Darko Prpić, Petar Miladin and Krunoslav Vitelj / *members of the Supervisory Board*

In accordance with the powers defined by the Companies Act and the Articles of Association of Podravka Inc., the Supervisory Board continuously supervised the business operations of Podravka Inc. and the Podravka Group during 2025 through 15 meetings. Regarding attendance at Supervisory Board meetings, Mr Štimac, Mr Grbavac, Mr Prpić and Mr Vitelj attended all meetings, while Mr Burilović was absent from four meetings, Mr Felak from two meetings, and Mr Miladin, Mr Čukman, Mr Jelčić and Ms Horvat from one meeting each.

In supervising business operations, the Supervisory Board discussed all key business matters related to Podravka Inc. and its subsidiaries and regularly received written business reports, as well as materials accompanying the proposals of the Management Board of Podravka Inc., which it reviewed and decided upon in accordance with applicable regulations. The Management Board of Podravka Inc. reported to the Supervisory Board on all important business events, business performance developments and the overall business condition of Podravka Inc. and the Podravka Group.

The Supervisory Board determined that Podravka Inc. operated in compliance with applicable laws, the Articles of Association of Podravka Inc., resolutions of the

General Assembly of Podravka Inc., and other relevant regulations and general corporate acts.

The Supervisory Board reviewed and approved the audited Annual Financial Statements of Podravka Inc. and the Podravka Group, the Company and subsidiaries performance report, and the Sustainability Report of the Podravka Group for 2024, submitted by the Management Board of Podravka Inc.

During the year, the Supervisory Board also reviewed and approved, among other matters, the Management Board's decisions regarding the purchase and sale of the business share in Podravka Ltd. Ljubljana, the sale of the confectionery business segment, the project for construction of the logistics and distribution centre for Belupo Inc., and the selection of bidders and sale of Deltis Pharm Pharmacy.

The Supervisory Board adopted the Internal Audit Strategy of the Podravka Group, the Annual Internal Audit Plan and the Internal Audit Charter, and reviewed and aligned policies and procedures in accordance with the Corporate Governance Code.

During the year, the Supervisory Board also approved other Management Board decisions in accordance with applicable regulations and the Articles of Association of Podravka Inc.

Continuous performance of the supervisory function in the best interest of Podravka Inc., its shareholders and other stakeholders, in accordance with applicable regulations and internal acts of Podravka Inc., was strongly supported by adequate information and reports provided by the Management Board to the Supervisory Board throughout the year.

As the Supervisory Board was regularly informed by the Management Board about all significant business



events, business results and the condition of Podravka Inc. and the Podravka Group, the Supervisory Board assesses the cooperation with the Management Board as high-quality, constructive and efficient.

For more efficient performance of its function, the Supervisory Board operates through the following committees: the Audit Committee, the Remuneration Committee and the Nomination Committee.

The Audit Committee operated in 2025 in the following composition: Darko Prpić, Chairman of the Audit Committee (from 24 July 2025) and Deputy Chairperson of the Audit Committee (until 23 July 2025), Ivana Matovina, Chairperson of the Audit Committee (until 29 June 2025), and Jeni Krstičević (from 10 July 2025), Dubravko Štimac (from 20 October 2025) and Damir Grbavac (until 19 October 2025), members of the Audit Committee.

The Audit Committee held ten meetings in 2025, four of which were held in writing. Mr Prpić, Mr Štimac, Mr Grbavac and Ms Krstičević attended all meetings, while Ms Matovina was absent from one meeting.

The Audit Committee regularly reported to the Supervisory Board on its recommendations and submitted its Activity Report.

The Audit Committee reviewed and recommended to the Supervisory Board the adoption of the Annual Financial Statements of Podravka Inc. and the Podravka Group and the Company and subsidiaries performance reports for 2024, together with the reports of the authorised auditors Ernst & Young Ltd. and Grant Thornton Audit Ltd. The Audit Committee reviewed and recommended to the Supervisory Board the adoption of the Annual Financial Statements of Podravka Inc. and the Podravka Group and the Company and subsidiaries performance reports for 2024, together with the reports of the authorised auditors Ernst & Young Ltd. and Grant Thornton Audit Ltd. on the verification of the Sustainability Report of the Podravka

Group for the year 2024 and the quarterly financial statements of Podravka Inc. and Podravka Group in 2025.

The Audit Committee further recommended to the Supervisory Board the appointment of Ernst & Young Ltd. and Grant Thornton Audit Ltd. as joint statutory auditors of Podravka Inc. and the Podravka Group for 2025 and 2026, and Ernst & Young Ltd. for the assurance of the Podravka Group Sustainability Reports for 2025 and 2026.

The Audit Committee monitored the effectiveness of the internal control and risk management systems and the Internal Audit work plan and its execution.

The Audit Committee reviewed the Tax Policy of the Podravka Group and agreed on the revision of the Accounting Policies for Podravka Group companies.

The Audit Committee also monitored the sustainability reporting process.

The Nomination Committee operated in 2025 in the following composition: Dubravko Štimac, Chairman of the Nomination Committee (from 20 October 2025), Damir Grbavac, Chairman of the Nomination Committee (until 19 October 2025), and Luka Burilović and Krunoslav Vitelj as members of the Nomination Committee. The Nomination Committee held three meetings in 2025, all attended by all committee members. The Nomination Committee submitted its Activity Report to the Supervisory Board, a proposal for the appointment of a member of the Audit Committee, and a recommendation of a candidate for election to the Supervisory Board of Podravka Inc.

The Remuneration Committee operated in 2025 in the following composition: Luka Burilović, Chairman of the Remuneration Committee, and Dubravko Štimac (from 20 October 2025), Damir Grbavac (until 19 October 2025) and Petar Miladin as members of the Remuneration Committee.



The Remuneration Committee held four meetings in 2025, all attended by all members. The Remuneration Committee regularly informed the Supervisory Board of its proposals and recommendations and submitted its Activity Report.

The Supervisory Board conducted a self-assessment of its effectiveness, profile and composition, as well as the effectiveness and composition of its committees and individual members' performance. The assessment was led by the Chairman of the Supervisory Board without engaging external evaluators.



The Supervisory Board concluded that its overall composition and profile, as well as the composition and profile of its committees, meet the needs and activities of Podravka Inc.

The Supervisory Board also supports Podravka Inc.'s orientation towards balanced gender representation at the level of the entire company, particularly in senior management positions.

As of 31 December 2025, Podravka Inc. employed 48% women. In the segment of highly educated employees, women accounted for 64%, while at senior management positions they represented 49%.

All of the above positions Podravka Inc. among the leading companies in terms of gender equality, and the Supervisory Board considers this employee structure an excellent achievement.

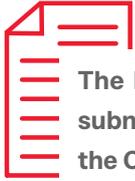
Members of the Supervisory Board and the Company's Management Board are primarily elected based on their expertise, knowledge and relevant experience, with additional attention paid to balanced gender representation. When proposing new members of the Supervisory Board to the General Assembly, the Supervisory Board will continue to consider gender equality principles.



The Supervisory Board concluded through its evaluation that all members of the Supervisory Board and its committees possess the necessary knowledge, skills and professional experience, actively participated in work, and contributed effectively to discussions and decision-making on all agenda items of Supervisory Board and committee meetings.

7 Report on the application of the Corporate Governance Code





The Management Board of Podravka Inc. submits a Statement on the Application of the Corporate Governance Code based on the

Accounting Act and the Companies Act.

Podravka Inc. continuously monitors the development of regulations in the area of corporate governance and improves its relationships with shareholders, investors, and the general public, applying high standards of communication.

In compliance with applicable legislation, particularly considering the OECD Guidelines for Corporate Governance and the Corporate Governance Code of HANFA and the Zagreb Stock Exchange, Podravka Inc. is one of the first joint-stock companies whose shares are listed on the regulated market to adopt the Corporate Governance Code in order to equalize the rights of all shareholders and establish an open, professional, and transparent approach to investor relations and the general public.

Key principles of corporate governance that Podravka Inc. follows include:

- Transparency of operations,
- Clearly defined procedures for the operation of the management board, supervisory board, and its committees, as well as the general assembly,
- Avoidance of conflicts of interest,
- Effective internal control, and
- An efficient accountability system.

Podravka Inc. annually completes two questionnaires. One in which it declares whether it has adhered to the provisions of the Corporate Governance Code and specifies any deviations from the Code along with the reasons (Compliance Questionnaire), and the other which provides detailed information on its corporate governance practices (Corporate Governance Practices Questionnaire). Both questionnaires are submitted to HANFA, and the Compliance Questionnaire is published on the Zagreb Stock Exchange and Podravka's website at <https://www.podravka.com/storage/repository/download/61e412c0-25ed-11f0-8d45-8e22bd9c09eb>

In order to improve the corporate governance system, the Management Board of Podravka Inc., with the consent of the Supervisory Board of Podravka Inc., has adopted the Conflict of Interest Management Policy, which establishes mechanisms for early detection of potential conflicts of interest, preventing their occurrence, and measures to be taken in case a conflict of interest is identified.

This Policy applies to all members of the Management Board of Podravka Inc., all members of the Supervisory Board of Podravka Inc. and its committees, as well as to all employees of Podravka Inc.

Podravka Inc. will strive to ensure that the Group companies also respect and adopt behavior models based on the same principles that this Policy is founded upon.

For the prevention of conflicts of interest and related actions, the Company will periodically, at least once every two years, conduct training for managerial personnel and employees performing managerial tasks on the Company's business policy regarding conflicts of interest, competition bans, transactions with related parties, and other related actions, especially concerning the mechanisms established in the Company to manage these issues in line with best corporate governance practices.

In November 2024, training was held for the members of the Management Board and Supervisory Board of Podravka Inc. on the topic of Corporate Governance, which covered the monistic and dualistic systems, legal differences and similarities regarding structure, appointment and dismissal, powers, and methods of operation, conflicts of interest, the position of a Supervisory Board member, including self-assessment, independence, equal gender representation, and managerial aspects of corporate governance.

The implementation of this Policy is overseen by the Internal Audit of Podravka Inc., which reports at least annually to the Audit Committee, Supervisory Board, and Management Board of Podravka Inc. on the effectiveness, reliability, and security of the systems and procedures prescribed by this Policy.



The Conflict of Interest Management Policy can be found at <https://www.podravka.com/storage/repository/download/4a6a141a-0404-11f0-bac0-26f94fb23c24>

Aware of the importance of responsible and ethically based behavior in business, Podravka Inc. has adopted the Code of Ethics in Business Operations of the Podravka Group, committing to respect ethical principles in all its business relationships and to act in accordance with laws and regulations, principles of responsibility, truthfulness, effectiveness, transparency, quality, good faith, zero tolerance for corruption, respecting good business practices towards business partners, the community, and its employees, and respecting the human rights of all stakeholders. Special attention is focused on employees, suppliers, and vulnerable social groups – national minorities, children, persons with disabilities, migrant workers, and their families. The Code of Ethics defines business principles that cover the legality and transparency of operations, equal treatment and equal opportunities, professionalism and objectivity in work, relationships with the public and privacy protection, product quality, working in a safe environment, sustainable development, and community relations. In addition to business principles, the Code of Ethics defines behavioral principles that cover the confidentiality and secrecy of information, communication, attitude towards the Podravka Group's assets, leadership style, conflicts of interest, criteria for business gifts and representation, and the strictest prohibition of corruption, bribery, extortion, and any similar behavior. The Code of Ethics also strictly prohibits the exploitation of child labor.



Every employee has the right to inform the Ethics Committee in writing, via email or by mail, about possible or committed violations, or non-compliance with the Code of Ethics, which ensures the protection of the employee who submits the report, including the prohibition of sanctions or discrimination in future work.

The Code of Ethics in Business Operations of the Podravka Group can be found at <https://www.podravka.com/storage/repository/download/ea58fc16-0bca-11f0-abb8-26f94fb23c24>

The Podravka Group continuously promotes a policy of diversity and non-discrimination. The diversity of employees is one of the strengths of the Podravka Group, and all employees are equal. Any form of discrimination or harassment based on bias or prejudice, such as discrimination due to race, ethnicity, skin color, gender, language, religion, political or other beliefs, national or social origin, financial status, union membership, education, social status, marital or family status, age, health condition, disability, genetic inheritance, gender identity, expression, or sexual orientation, as well as any other characteristic protected by applicable regulations, is prohibited.

Additionally, in Podravka Inc. and Belupo Inc., in accordance with the Whistleblower Protection Act, a Regulation has been adopted governing the internal reporting of irregularities and the appointment of a confidential person for internal reporting of irregularities. Irregularities can be reported in writing or orally, with written reports including any form of communication that provides a written record. Oral reporting can be done by phone or, at the request of the whistleblower, through a physical meeting within a reasonable time.

The Regulation on the Procedure for Internal Reporting of Irregularities and the Appointment of a Confidential Person can be found at the following links:

<https://cdn.podravkagrupa.com/podravkagrupauploads/hr/wp-content/uploads/2025/07/original-wKo1ey.pdf>

In the Žito Group, a Regulation on the Prevention and Suppression of Mobbing has been adopted, and a commissioner has been appointed to receive reports and handle mobbing cases.



Podravka Inc. applies the Remuneration Policy approved by the General Assembly of the Company for the period from 2022 to 2025. The principles of the Remuneration Policy are designed to ensure competitiveness and attract and retain high-quality professionals with the necessary skills, expertise, and experience for positions on the Management Board. The Remuneration Policy can be found at: <https://www.podravka.com/storage/repository/download/3917821c-eb66-11ec-863a-0e931d035065> (Decisions of the General Assembly of the Company from 14.06.2022).



An amendment to the Remuneration Policy approved by the General Assembly of the Company can be found at <https://www.podravka.com/storage/repository/download/423604bc-138b-11ef-823b-52c2f6608951>

At the General Assembly, shareholders exercise their voting rights personally, through a legal representative or proxy. The right to participate and exercise voting rights at the General Assembly is granted to shareholders registered in the computer system of the Central Depository & Clearing Company Inc. who register to attend the General Assembly no later than seven days before the meeting.

The General Assembly can validly decide if at least thirty percent of the total number of shares with voting rights are represented. The General Assembly is chaired by the Chairman of the General Assembly, appointed by the Supervisory Board on the proposal of the Management Board.

Each Podravka Inc. share carries one vote at the General Assembly.

At the General Assembly, shareholders, representatives, and proxies vote using ballots indicating the number of votes allocated to each participant.

All materials related to the convocation and holding of the General Assembly are available on Podravka Inc.'s website at <https://www.podravka.com/investors/corporate-governance/the-general-assembly/>

8 Key Business Indicators

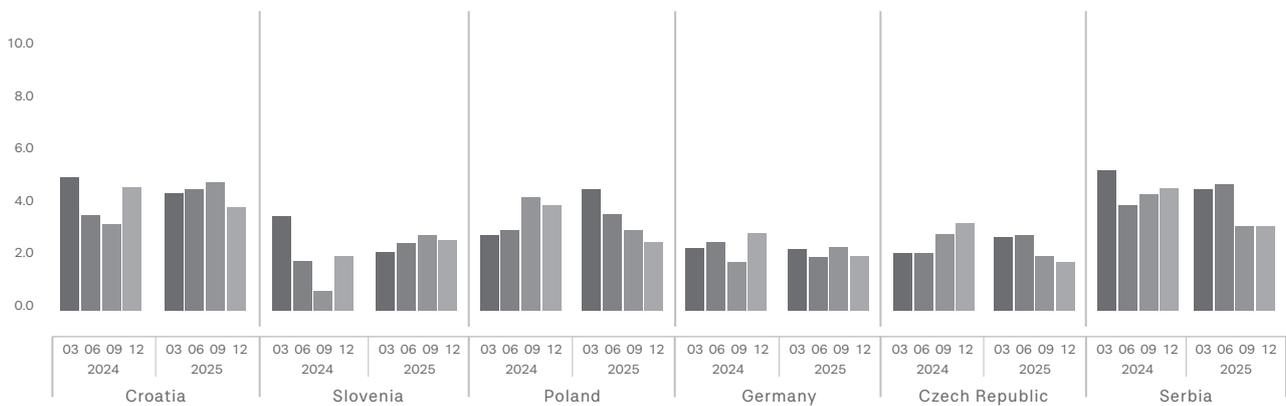


MACROECONOMIC environment

In 2025, the Podravka Group operated in a complex and volatile global environment marked by a slowdown in economic growth across key European markets, heightened geopolitical risks and shifts in consumer behaviour. Given its international presence, production in four countries, distribution in 16 countries and exports to more than sixty markets, the Group is significantly exposed to global economic trends, with more than half of its revenue generated outside Croatia.

Across most relevant markets, a slowdown in personal consumption was recorded, along with a decline in volume retail sales of food, beverages and tobacco, with particularly pronounced challenges in Germany and parts of Central and Eastern Europe. Although inflationary pressures gradually eased during the year, volatility in raw material prices, rising labour costs and differences in economic policies among countries continued to affect business conditions. Under such circumstances, the Podravka Group continued to implement adjustment and optimisation measures aimed at preserving profitability, market share and long-term sustainability.

INFLATION RATE TRENDS FOR SELECTED COUNTRIES IN THE PERIOD 2024 – 2025 - HARMONISED INDICES OF CONSUMER PRICES (HICP) (% comparison with the same month of the previous year)

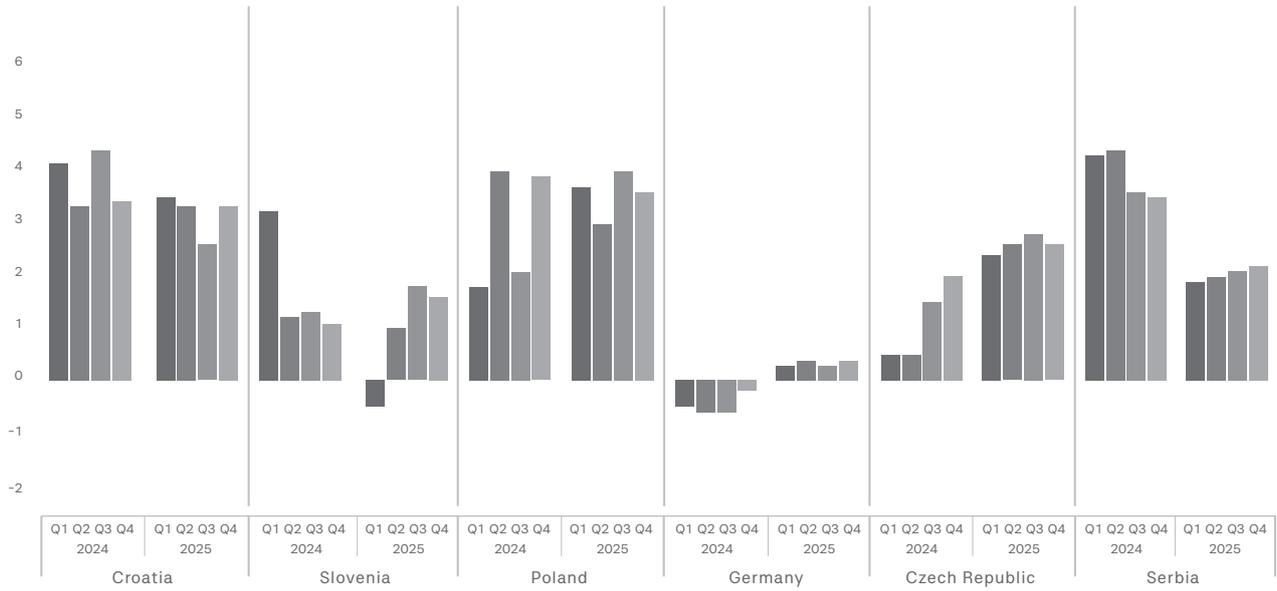


(Source: <https://ec.europa.eu/eurostat>)



REAL GDP GROWTH RATE TRENDS FOR SELECTED COUNTRIES IN THE PERIOD 2024-2025

(% change compared to the same quarter of the previous year)



(Source: <https://ec.europa.eu/eurostat>)



KEY events

COMPLETION OF THE BELJE, VUPIK AND PIK VINKOVCI ACQUISITION

For Podravka, 2025 was a historic year in which the Podravka Group, alongside its Food and Pharmaceutical segments, assumed a third pillar of business operations – Agriculture, or Agri. The acquisition was completed on 31 January 2025, when Podravka acquired the agricultural segment of the Fortenova grupa. Through the newly established company Podravka Agri Ltd., in which Podravka holds an 84.99% ownership stake and the European Bank for Reconstruction and Development (EBRD) 15.01%, the companies Belje plus Ltd., Vupik plus Ltd., PIK Vinkovci plus Ltd., Energija Gradec Ltd., Belje Agro-Vet plus Ltd. and Felix plus Ltd. were acquired.

Agriculture has thus become the third pillar of the Podravka Group's operations, with Podravka Agri assuming management of the agricultural companies.

The total transaction value amounted to EUR 333 million, of which Podravka secured EUR 283 million through a club loan provided by leading commercial banks in Croatia, while the EBRD contributed EUR 50 million. The partnership with the EBRD brings additional knowledge transfer, global best practices in the management of agricultural systems and further strengthening of corporate governance.

This acquisition has further reinforced Podravka's position among the leading domestic companies. It also marks the continuation of cooperation with the Fortenova Group, with Belje, Vupik and PIK Vinkovci maintaining business relationships with companies such as PIK Vrbovec, Zvijezda and Jamnica.

Podravka Agri has launched an investment cycle within the acquired companies, focused on technology modernisation, irrigation systems and improving working conditions. Care for employees and the protection of their material rights remain among the key priorities. Cooperation with existing subcontractors has also continued, alongside the expansion of the supplier network, further strengthening domestic production and supply chain stability.

This acquisition marks the beginning of a new chapter for the Podravka Group – which, following the transaction, exceeds EUR 1 billion in revenue and employs almost 8,500 people.

PODRAVKA INTRODUCED NEW BUSINESS STRATEGY THROUGH 2030

Following the successful implementation of its Business Strategy through 2025, Podravka Group has adopted a new Business Strategy through 2030, covering all three business segments – Food, Agriculture (Agri) and Pharmaceuticals – with the objective of continuing profitable growth, strengthening market positions, and creating additional value for all stakeholders, including consumers, employees, shareholders and the community. The Strategy focuses on growth driven by productivity, innovation, sustainability, and investments in modern technologies, with a strong emphasis on international expansion and competitiveness.



The Strategy is based on a comprehensive approach to development – from expanding the strength, presence and recognition of brands, further investments in production capacities, particularly in Agriculture, and the adoption of digitalization and artificial intelligence, to strengthening the domestic raw material base and cooperation with suppliers. Podravka Group will continue to be a responsible and attractive employer, continuously investing in employee development, working conditions and remuneration, while contributing to the community through various socially responsible initiatives.

With the Business Strategy through 2030, Podravka Group clearly defines its ambition to become an even stronger international player, leveraging its own excellence, high added value, and responsible business practices. In a time of global challenges, Podravka positions itself as an agile company that not only keeps pace with trends but also leads production and business trends in the sector.

PODRAVKA FOOD – INTERNATIONALIZATION, VEGETA AS A GLOBAL BRAND, AND DOMESTIC RAW MATERIALS

In the Food segment, Podravka, as one of the leading food companies in Southeast Europe, plans under its new Strategy to further strengthen the presence and expansion of the Vegeta, Lino, Lino Lada, Podravka, O'Plant and Zik Zak brands in developed markets such as Germany, Austria, Switzerland, the United States, and Australia, while continuing to maintain strong positions in Croatia and the region. The strategic focus in the coming period will be on categories with high sales potential and profitability – universal food seasonings, soups, cereals (including Čokolino) and creamy spreads.

At the same time, strong development is planned for categories and brands whose potential has been

reinforced through the recently completed investment cycle, particularly tomato-based products, ready meals, bakery snacks, fish salads, and frozen food.

Over the next five years, a key strategic priority will be positioning Vegeta as a global brand through further internationalization and expansion of the product range marketed internationally under the Vegeta brand. Podravka will continue to place particular emphasis on sustainability, responsible environmental practices, and the promotion of healthy eating habits across all business segments. This includes further increasing the production and use of domestic agricultural raw materials, aiming for self-sufficiency in all ingredients that can be grown under local climatic and agricultural conditions. In line with this approach, the network of suppliers in fruit and vegetable production will continue to be developed, optimally leveraging synergies with the Group's own agricultural segment – Podravka Agri.

The Strategy also includes the further advancement of digitalization and automation, including the application of artificial intelligence in production processes, as well as portfolio development aligned with food trends – healthier products, local and seasonal ingredients, and convenient options suited to modern lifestyles. Considering that the technological, logistics and IT investment cycle in the Food segment, worth €250 million, was completed in early 2025, investments over the next five-year period are planned at a standard level to ensure efficient use of technology and continued adaptation to consumer needs.



PODRAVKA AGRI – €200 MILLION INVESTMENT AND GREEN TRANSFORMATION

Podravka Agri, the newly integrated business segment, is at the center of ambitious modernization and sustainability plans. By 2030, nearly €200 million is planned for investments in technological development, energy efficiency, new farms, and expansion of irrigation systems. The goal is to increase irrigated land from 8% to 21% and to maximize yields in crop and vegetable production.

In livestock, the largest segment of Agri operations, four new pig farms are planned, with a 20% annual increase in fattened pig production, while beef production is expected to grow by 25%. Farm modernization will also include automation and biosecurity measures.

Podravka Agri plans to significantly increase the use of renewable energy and organic materials, as well as develop carbon-neutral farming models based on a circular bioeconomy. The focus will also be on cooperation with suppliers, strengthening brands such as Baranjka and ABC, and expanding distribution both domestically and internationally.

PHARMACEUTICALS – BELUPO AS A EUROPEAN LEADER IN DERMATOLOGY

Belupo aims to become a leading European specialist in dermatology by 2030, while also establishing a strong regional presence in OTC (over-the-counter) products, cardiology, psychiatry, and neurology. Key growth markets are Central and Southeastern Europe, with strategic expansion into Western markets through dermatology and partner collaborations.

The strategy includes investments of €36 million to increase production and logistics capacities and enhance operational efficiency. A key component of the planned investments is the establishment of a Center of Excellence in Dermatology.

Belupo will also continue investing in sustainability, including the use of renewable energy and recyclable packaging, as well as strengthening ties with local communities. Focus areas include employee career development, innovative product development, and improved communication with patients and healthcare professionals.

SEVENTH SALARY AND BENEFITS INCREASE FOR PODRAVKA AND BELUPO EMPLOYEES IN FOUR YEARS

The negotiation teams of Podravka and Belupo, together with the representative trade unions – PPDIV Union, Independent Podravka Union, and Podravka Group Workers' Union (SINPOD) – successfully concluded another round of negotiations on amendments to the Podravka Group Collective Agreement. As of 1 January 2026, employees of Podravka and Belupo received a new salary increase, alongside improvements in other material benefits.

Under the agreement, the basic gross salary for approximately 4,100 employees was increased by 4.5%, corresponding to an average raise of around €70 gross. The new higher base salary also serves as the updated reference for calculating additional pay components, such as seniority and shift allowances. In addition to the salary increase, maternity support for each newborn child was raised to €1,500. This marks the seventh salary increase over the past four years, with the average salary of Podravka employees rising by more than 65% since 2021.



SUCCESSFUL TRANSITION OF EXISTING SAP SYSTEM TO SAP S/4HANA

The transition to the new SAP S/4HANA system represents one of the most complex and important projects in the digital transformation of the Podravka Group. The project, valued at over €4 million, was successfully completed in the first quarter of 2025. It encompassed all business processes across 23 Podravka Group companies using the previous SAP ERP version, including Belupo and Žito. This significant milestone established a stable foundation for further digitalization and optimization of business processes, enabling greater connectivity, transparency, and operational excellence.

SAP S/4HANA introduces modern technology that enables faster, more efficient, and more connected operations. With real-time data analytics, automated processes, and an intuitive user interface, the system lays the groundwork for improved organization and strategic decision-making. The most impacted areas include finance, controlling, and sales, with a selective transformation of existing business processes implemented alongside process and master data optimization and enhancement.

OPENING OF NEW TRANSPORT CENTER

In April 2025, Podravka inaugurated a new Transport Center in Koprivnica, valued at €3 million. The modern logistics facility has further improved transport and distribution processes within the company, increasing efficiency and optimizing operations. The investment also enhanced traffic safety and improved working conditions. Together with the new logistics and distribution center,

the Transport Center forms a strong operational hub that further strengthens the efficiency of Podravka's logistics processes.

The new Transport Center is the latest project within the largest investment cycle in Podravka Group's history, valued at nearly €250 million and carried out in line with the Group's Strategy from 2021 to 2025. The investment cycle, completed without external financing, enabled a comprehensive modernization and transformation of operations – from investments in production capacity and digitalization to energy efficiency improvements and better working conditions.



Throughout the cycle, production capacities were modernized, new technologies introduced, working conditions enhanced, and foundations laid for long-term sustainability and growth. Key achievements include a new pasta factory, a new tomato processing facility, 11 new production lines, 15 new packaging lines, solar power plants with a total capacity of 13.2 MW, a fully renewed company vehicle fleet, modern agricultural machinery, renovation of the headquarters and other facilities, climate control in all production sites, and the construction of a logistics and distribution center with a capacity of 62,000 pallet spaces – the largest single investment of the cycle.

NEW PRODUCTION LINES COMPLETED – POUCH FILLING FOR READY MEALS AND SARDINE CUTTING

In 2025, two major manufacturing investments were completed within the Food segment. At the Meat Products Factory, the filling process for ready meals in pouch packaging, serving both retail and gastro customers, was fully automated. The new equipment went live in Q4 2025, improving process efficiency and enabling the rollout of a new product range, following EU-fund supervision and the disbursement of the related co-financing. In parallel, a new sardine-cutting line was delivered, tested and put into operation at the Mirna Factory in Q3 2025, boosting productivity in the fish assortment and improving raw material utilisation, with regular production starting towards the end of 2025.

PODRAVKA AND COOPERANTS CELEBRATE RECORD TOMATO HARVEST

Podravka entered the new season with a clear target – to produce more than 40,000 tons of tomatoes and fully utilize the capacity of its new tomato processing facility in Varaždin. This target was ultimately exceeded. During the season, Podravka produced approximately 5,400 tons of tomatoes on its own fields, while cooperants supplied an additional 40,600 tons, resulting in a total production of

46,000 tons – a new record and a 50% increase compared to the previous year.

The new tomato processing plant, opened in summer 2024, operated at full capacity and demonstrated its value in its first year, enabling Podravka, with the support of cooperants, to achieve full self-sufficiency in tomato production. The previous year's production was around 31,000 tons, with the 2025 target set above 40,000 tons – successfully achieved and surpassed.

Cooperation with cooperants has expanded nationwide, from Istria through Međimurje and Podravina to Slavonia. Shared commitment to quality, investment in modern technology, and stable partnerships have made Croatian tomato production competitive, sustainable, and highly productive.

During a traditional gathering at the Fruit and Vegetable Factory in Varaždin, Podravka celebrated the season's results with its cooperants. The highest-performing tomato producers were recognized, highlighting the crucial role of the cooperant network and the contributions of individuals who have collaborated with Podravka for many years.

PODRAVKA ACHIEVES HISTORIC SUCCESS AT COMMUNICATION DAYS

At Communication Days 2025, Podravka achieved a historic milestone by winning a total of 11 awards – seven at the IdejaX competition and four at Effie Awards Croatia. Notably, Podravka was recognized as Advertiser of the Year at IdejaX, further confirming the Group's creativity and innovation in marketing.

At IdejaX, which honors the most creative and original marketing campaigns in Croatia, Podravka won two gold, three silver, and two bronze awards. At Effie Awards Croatia, which evaluates campaign effectiveness, Podravka's



campaigns earned one gold and three silver awards. Awarded campaigns included “Everything Tastes Better with Vegeta”, “Vegeta – Cooking is Terrifying”, “Dolcela – No Guarantee on Appearance”, “Fant – Unfailingly Fantastic”, “Juhuuuu for Podravka Soup!”, and “Domestic in the Leading Role”, created in collaboration with agencies Bruketa&Žinić&Grey, BBDO, Šanavala, Pink Moon, ZOO, and other production, digital, and media partners.

Beyond recognition for successful marketing campaigns, the awards reflect Podravka’s strategic focus on creativity and effective consumer communication. The result reinforces Podravka’s position as one of the leading advertisers in Croatia and the region and highlights the importance of collaboration with top creative agencies. Winning 11 awards at a single Communication Days event nearly matches the total number of awards Podravka won in the previous ten editions combined.

This achievement represents the Group’s most successful participation at the prestigious event to date and underscores its ongoing investment in creativity and communication quality.

PODRAVKA RESUMES WHEAT DELIVERIES VIA RAIL

After more than 15 years, Podravka has resumed receiving wheat deliveries by rail. This initiative reflects the Company’s strategic commitment to strengthening self-sufficiency in agriculture and promoting a more sustainable business model.

To enable the project, the industrial rail track serving the Mill – Flour and Semolina Factory in Koprivnica was fully revitalized. Renovation works included replacement of sleepers and switches, gravel replenishment, and clearing of blocked sections of the track. These measures created the conditions for the resumption of rail-based raw material intake.

The first shipment of wheat arrived in Koprivnica from Vukovar, in cooperation with Podravka Agri, under a contract for first-class wheat deliveries.

Through the revitalization of the rail infrastructure and the resumption of wheat procurement by train, Podravka further reinforces its strategic focus on sustainability, supply security, and support for domestic farmers.



PODRAVKA AND KRAŠ STRENGTHEN PARTNERSHIP IN THE U.S. MARKET

In early June 2025, two leading Croatian food companies, Podravka and Kraš, launched a business collaboration in the United States. The long-standing partners further reinforced their cooperation through a distribution agreement, under which Podravka USA Inc. assumed the role of importer and distributor of Kraš products across the U.S.

The partnership represents a strategic step in strengthening the presence of Croatian brands in the demanding U.S. market. Kraš’s extensive portfolio, including its leading and innovative products, complements and broadens Podravka USA’s offerings, both in the ethnic food segment and in its expanding appeal to general consumers.

The collaboration aims to achieve additional distribution synergies, reinforce the market position of both companies,



and increase the visibility of Croatian brands among U.S. consumers. By joining forces, Podravka and Kraš demonstrate the importance of connecting domestic companies in international business and contribute to enhancing the competitiveness of the Croatian food industry on the global stage.

VEGETA SHINES ON TIMES SQUARE

In October 2025, Vegeta appeared on New York's iconic Times Square, a global advertising hub and stage reserved for leading international brands, further strengthening its global recognition and positioning.

The activation highlighted the strength and worldwide relevance of Vegeta, a brand that has been an essential part of kitchens around the world for over 65 years. Its presence on Times Square symbolically reflects Vegeta's role as a brand that unites flavours, cultures, and generations while proudly representing Croatian quality on the international stage.



VEGETA RECOGNIZED AS A TOP BRAND IN GERMANY

Vegeta was named a Top-Marke 2025, one of Germany's most prestigious brand awards, by the specialized portal Lebensmittel Zeitung. Out of more than 5,000 competing brands, Vegeta secured the leading position in the spice category, confirming its relevance and market position in one of Europe's most important markets.

The recognition is based on independent consumer research conducted by YouGov CP Germany GmbH, a specialist in online market research and data analysis. Measurable indicators include customer growth, market share increase, and consistent market presence.

“ZLATA BARTL” FOUNDATION REACTIVATED

Podravka's "Zlata Bartl" Foundation entered a new phase of activity in 2025, focusing on supporting innovation, education, and sustainability projects. After several years of inactivity, the Foundation was reactivated in spring 2025 and began a renewed developmental phase, providing financial support to innovative projects, women entrepreneurs, and outstanding students and pupils.

The Foundation is named after Zlata Bartl, the distinguished scientist and Podravka employee who, together with her research team, developed Vegeta in 1958, one of Croatia's most iconic products. Her creativity, vision, and dedication to scientific research inspired the creation of the Foundation, which aims to promote knowledge, innovation, and creativity to new generations.



The Foundation's activities are organized around two programs: "Power of Innovation" and "Young Leaders." The "Power of Innovation" program encourages the development of innovative solutions in the food and agricultural sectors, with an emphasis on sustainability and environmental awareness. Particular attention is given to projects led by women entrepreneurs, aiming to strengthen female entrepreneurship and reduce gender inequality. The "Young Leaders" program targets students and pupils achieving excellence in STEM fields, supporting initiatives that develop skills and knowledge needed for future professions.

The "Power of Innovation" program attracted twenty applications, from which three projects were selected for financial support totaling nearly €65,000. The call was open to women-led projects enhancing the agri-food sector, with a focus on sustainability, environmental protection, and digital transformation.

Two calls under the "Young Leaders" program were also successfully completed. These included support for student STEM competitions and scholarships for students who demonstrate knowledge, dedication, and vision, contributing to community development and showing potential as future leaders. Ten selected students received scholarships of €250 per month for ten months, with opportunities to participate in networking and knowledge-sharing programs with other Foundation scholars. Financial support for student STEM competitions was awarded to Gimnazija "Fran Galović" Koprivnica, the association for promoting new technologies "Robofreak" from Varaždin, the association of young mathematicians in Koprivnica, and the Croatian Mathematical Society from Zagreb for two competitions: the International Mathematical Olympiad in Shanghai and the Mathematics Olympiad in the Netherlands.

PODRAVKA CONTINUED THE "LITTLE SECRETS OF PODRAVKA'S GREAT MASTERS" SCHOLARSHIP PROGRAM

In 2025, Podravka continued investing in the future of young people by launching a new round of scholarships through the program "Little Secrets of Podravka's Great Masters." The program is designed to support students in their daily school life, encourage vocational education, and provide the opportunity for employment at Podravka after completing secondary school.



The vocational student scholarship program, initiated in the previous school year, has already seen three scholarship recipients begin their professional journey at Podravka. The company continues to build a pipeline of future specialists, with a total of 31 students receiving scholarships. Each student will receive financial support of €1,800 over the school year, disbursed in ten monthly installments of €180. In the previous school year, 26 scholarships were awarded, and three students have already started their careers in Podravka's production facilities – two in the Vegeta, soups, and pasta factory in Koprivnica, and one in the Fruit and Vegetable Factory in Varaždin.

PODRAVKA AND CONSUMERS RAISED OVER €83,000 TO EQUIP SCHOOL PRACTICUM FACILITIES

Through the campaign “Let’s Donate for Schools and Meals We Love,” Podravka raised €83,189.95, which was donated to three schools to equip their culinary practicums. Between 1 April and 30 May 2025, five cents from the sale of each Podravka tomato product and Zlato polje pasta was allocated to the donation. The total collected amount was divided equally among three schools, each receiving €27,730, based on the highest votes in a creative competition.

Twenty-nine vocational schools submitted valid applications and presentation videos for the campaign. A professional jury selected ten schools for public voting, and the greatest number of votes went to Srednja škola Petra Šegedina (Korčula), Srednja škola Ambroza Haračića (Mali Lošinj), and Obrtničko-industrijska škola Županja, which were awarded the donations for equipping their culinary practicums.

Corporate social responsibility is an integral part of Podravka’s operations. As a socially responsible company, Podravka has supported a wide range of initiatives for decades, contributing to the community and society in which it operates. This campaign is one of many such initiatives, and in line with the adopted Sustainable Business Strategy to 2030, Podravka will continue its work in the future through both its own projects and support for humanitarian, economic, cultural, sports, and scientific initiatives.

PODRAVKA CONTINUES INVESTMENTS IN RENEWABLE ENERGY

Aligned with its long-term strategy for sustainable development and energy efficiency, Podravka has launched a new project entitled “Podravka Solar Plant – Danica

Phase IV Expansion – LDC.” This project represented a continuation of the company’s successful investments in renewable energy, aiming to reduce greenhouse gas emissions, increase energy independence, and optimize operational costs.

The solar plant was constructed in the Danica industrial zone and has a nominal capacity of 1,069.2 kW. It will generate 1,047,816 kWh of electricity annually, thereby significantly contributing to the reduction of energy consumption from conventional sources.

The project is estimated to reduce CO₂ emissions by 160 tons annually, representing an important step toward achieving climate goals and environmental protection.

PODRAVKA GROUP COMPANIES AWARDED “EMPLOYER PARTNER” CERTIFICATION AGAIN

In 2025, the Podravka Group’s commitment to the highest standards in human resources management was recognized once more. Podravka, Belupo, Belje, Vupik, and PIK Vinkovci were awarded the Employer Partner certification by SELECTIO Group. This certification is the most prestigious regional recognition for excellence in human resources management and is granted to organizations that demonstrably meet high-quality standards and integrate best practices across their HR systems.



RECOGNITION OF PODRAVKA'S EXCELLENCE IN INVESTOR RELATIONS AND CORPORATE GOVERNANCE

In 2025, Podravka received two significant awards in the capital markets, further confirming its dedication to transparent and responsible business practices.

At the annual awards ceremony of the Zagreb Stock Exchange, Podravka received the First Prize for Investor Relations, recognizing the company's systematic and professional approach to communicating with the investor community and developing high-quality, long-term relationships with shareholders.

Additionally, at the conference "IPO as an Opportunity for Long-Term Owners and Growth through Capital Markets" organized by HANFA, Podravka was awarded in the category of Leading Market Companies for its 2024 Annual Corporate Governance Report.

These recognitions highlight Podravka's high standards in corporate governance, transparency, and open communication with all stakeholders, as well as the company's continuous improvement of practices in investor relations and capital market reporting.

DUBRAVKO ŠTIMAC APPOINTED CHAIRMAN OF THE SUPERVISORY BOARD OF PODRAVKA INC.

At the Annual General Meeting of Podravka Inc. held on October 20, 2025, Dubravko Štimac was elected as a member of the Supervisory Board of Podravka Inc. for a four-year term effective from the date of election. His appointment triggered the resignation of Ante Jelčić from the Supervisory Board.

Following the AGM, at the subsequent Supervisory Board meeting, Dubravko Štimac was elected Chairman of the Supervisory Board, replacing Damir Grbavac, who remains a member of the Board.

Dubravko Štimac's extensive career includes serving as President of the Management Board of PBZ Croatia Osiguranje overseeing mandatory pension funds from 2001 onwards. Prior to that, he held executive positions at Privredna banka Zagreb and PBZ Invest, and served as Chairman of the Supervisory Board of the Zagreb Stock Exchange and member of the Supervisory Board of Zavarovalnica Triglav. He previously served on Podravka's Supervisory Board from 2006 to 2012 as a member and from 2012 to 2019 as Chairman.

He graduated from the Faculty of Economics, University of Zagreb in 1992, completed a Master of Science in Organization and Management in 1997, and earned a PhD at the same faculty. He also holds a broker license and a license to manage pension funds.



AT THE ANNUAL GENERAL MEETING OF PODRAVKA INC., A DECISION WAS PASSED TO PAY A DIVIDEND OF €3.20 PER SHARE, THE SAME AS LAST YEAR

At the Annual General Meeting of Podravka Inc., held on 10 July 2025, the shareholders of Podravka Inc. approved the proposal of the Management Board and Supervisory Board of Podravka Inc. to pay a dividend of €3.20 per share, which is the same as the previous year. The dividend was paid on 30 July 2025 to all shareholders recorded in the share register as of 17 July 2025.

Considering the last market price of Podravka's share at the end of 2024 (€148.50), the dividend implies a dividend yield of 2.2%, compared to 2% the year before. By maintaining continuity in dividend yields over the years, the Podravka Group confirms its commitment to meeting the expectations set by its shareholders.

INVESTOR DAY HELD AGAIN AT PODRAVKA'S HEADQUARTERS

In May 2025, the Podravka Group held its Investor Day at Podravka's headquarters in Koprivnica, aiming to present the Group's business results as well as key and current projects and initiatives. Representatives of pension and investment funds, banks, analysts, and investment service providers were welcomed by the President of the Management Board, Martina Dalić, and Management Board member Davor Doko. Alongside the presentation of business results for 2024, investors had the opportunity to ask questions to the Management Board. As part of the event, a tour of the Belupo factory complex was also organized.



9 Business Results and Shares



BUSINESS results

NOTE: Decimal differences in the document are possible due to rounding.

SALES REVENUES BY BUSINESS UNITS IN 2025

(in EUR millions)	1 - 12 2024	1 - 12 2025	Δ	%
BU Culinary	95.9	94.0	(1.9)	(2.0%)
BU Soups	43.0	45.1	2.1	4.9%
BU Cereals, Snack and Beverages	38.8	42.2	3.4	8.7%
BU Creamy spreads and Desserts	38.1	41.7	3.6	9.5%
BU Bakery	2.9	3.6	0.7	24.0%
BU Fruits and Vegetables	57.2	57.4	0.2	0.4%
BU Basic food	17.1	17.7	0.6	3.6%
BU Meat products	42.6	44.1	1.4	3.3%
BU Fish	18.4	17.1	(1.3)	(7.1%)
Other sales	21.3	24.7	3.4	16.0%
Total	375.3	387.6	12.3	3.3%

SALES REVENUES BY REGION IN 2025

(in EUR millions)	1 - 12 2024	1 - 12 2025	Δ	%
Markets of Croatia and Slovenia	210.1	224.5	14.4	6.9%
Southeastern Europe	75.5	75.5	(0.1)	(0.1%)
WE and Overseas	58.8	56.7	(2.1)	(3.7%)
Central Europe	25.7	26.2	0.4	1.7%
Eastern Europe	5.1	4.7	(0.4)	(7.0%)
Total	375.3	387.6	12.3	3.3%

In the 1 – 12 2025 period, sales revenues of Podravka Inc. amounted to EUR 387.6m, which is EUR 12.3m (+3.3%) higher than in the comparative period.

Revenue growth was recorded by business units Soups, Cereals, snack and beverages, Creamy spreads and desserts, Bakery, Meat products, Basic food, Fruits and Vegetables, and Other sales, while business units Fish and Culinary recorded lower sales revenues. A positive trend is recorded in the markets of Croatia and Slovenia, and Central Europe, while other markets recorded slightly lower sales.



PROFITABILITY OF PODRAVKA INC. IN 2025

NOTE: The overview and explanation of items treated as one-off by management and the overview of methodology of calculation of the Normalized result are provided in the “Additional tables for 2025” section.

PROFITABILITY OF PODRAVKA INC.

(in EUR millions)	1 - 12 2024	1 - 12 2025	Δ	%
Sales revenue	375.3	387.6	12.3	3.3%
Gross profit	115.8	118.2	2.4	2.1%
EBITDA*	53.0	51.4	(1.6)	(3.1%)
EBIT	36.8	32.5	(4.3)	(11.8%)
Net profit	52.8	49.2	(3.6)	(6.7%)
Gross margin	30.8%	30.5%		-36 bp
EBITDA margin	14.1%	13.3%		-87 bp
EBIT margin	9.8%	8.4%		-143 bp
Net margin	14.1%	12.7%		-136 bp

*EBITDA is calculated in a way that EBIT was increased by depreciation and amortisation and value adjustments of noncurrent tangible and intangible assets; Normalised EBITDA is calculated in a way that Normalised EBIT was increased by depreciation and amortisation.

PROFITABILITY OF PODRAVKA INC. – NORMALIZED

(in EUR millions)	1 - 12 2024	1 - 12 2025	Δ	%
Sales revenue	375.3	387.6	12.3	3.3%
Gross profit	115.9	118.2	2.3	2.0%
EBITDA*	51.7	51.3	(0.3)	(0.6%)
EBIT	35.4	32.4	(3.0)	(8.5%)
Net profit	41.9	48.0	6.1	14.5%
Gross margin	30.9%	30.5%		-38 bp
EBITDA margin	13.8%	13.2%		-52 bp
EBIT margin	9.4%	8.4%		-107 bp
Net margin	11.2%	12.4%		+122 bp

*EBITDA is calculated in a way that EBIT was increased by depreciation and amortisation and value adjustments of noncurrent tangible and intangible assets; Normalised EBITDA is calculated in a way that Normalised EBIT was increased by depreciation and amortisation.

In the 1 – 12 2025 period, Podravka Inc. recorded EUR 2.4m (+2.1%) higher gross profit with a slightly lower gross margin of 30.5%.

Normalised operating profit before depreciation and amortisation (EBITDA) is EUR 0.3m (-0.6%) lower than in the comparative period. Lower normalised operating profit before depreciation and amortisation (EBITDA)



is impacted by investments in improving the material status of employees, which resulted in higher staff costs

Realised net profit is EUR 3.6m (-6.7%) lower, while normalised net profit is EUR 6.1m (+14.5%) higher than in the comparative period.

KEY HIGHLIGHTS OF THE BALANCE SHEET AS AT 31 DECEMBER 2025 AND OF THE CASH FLOW STATEMENT 2025

As at 31 December 2025, total assets of Podravka Inc. amounted to EUR 921.5m, which is 57.2% higher than as at 31 December 2024, which is largely the result of the acquisition of agricultural companies of the Fortenova Group.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment of Podravka Inc. are EUR 2.3m (-1.1%) lower compared to 31 December 2024.

INVENTORIES

Inventories of Podravka Inc. are EUR 14.1m (+17.8%) higher than as at 31 December 2024 and are maintained at the optimum level in accordance with the needs of operations.

TRADE AND OTHER RECEIVABLES

Trade and other receivables of Podravka Inc. are EUR 18.6m (-20.2%) lower than as at 31 December 2024. This movement is a result of regular business operations.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents of Podravka Inc. at the end of the observed period are EUR 3.3m lower (-24.0%) compared to 31 December 2024.

LONG-TERM AND SHORT-TERM BORROWINGS

As at 31 December 2025, long-term and short-term borrowings of Podravka Inc. are EUR 308.0m higher than as at 31 December 2024 as a result of financing the acquisition of agricultural companies of the Fortenova Group.

TRADE AND OTHER PAYABLES

Trade and other payables of Podravka Inc. are EUR 3.2m (-5.0%) lower compared to 31 December 2024. This movement is a result of regular business operations.



KEY HIGHLIGHTS OF THE CASH FLOW STATEMENT IN 2025

Net cash flow from operating activities in 1 – 12 2025 amounted to positive EUR 35.5m, due to business operations and movements in the working capital. Net cash flow from investing activities at the same time amounted to negative EUR 287.6m, primarily as a result of higher investments in subsidiaries amounting to EUR 284.9m arising from the acquisition of agricultural companies of the Fortenova Group. In the same period, net cash flow from financing activities amounted to positive EUR 248.8m, primarily due to the borrowings received related to the above-mentioned acquisition. As at 31 December 2025, cash and cash equivalents amounted to EUR 10.5m.

ADDITIONAL TABLES FOR 2025

The reported EBITDA is calculated in a way that EBIT was increased by depreciation and amortization and value adjustments to non-current tangible and intangible assets. Value adjustments to non-current tangible and intangible assets in the reporting and the comparative periods are presented in the table below.

REPORTED EBITDA CALCULATION

(in EUR millions)	1 - 12 2024 Podravka Inc.	1 - 12 2025 Podravka Inc.
Reported EBIT	36.82	32.49
+ amortization and depreciation	16.21	18.89
+ value adjustments	-	-
Reported EBITDA	53.03	51.38

NORMALISED EBITDA CALCULATION

(in EUR millions)	1 - 12 2024 Podravka Inc.	1 - 12 2025 Podravka Inc.
Normalised EBIT	35.44	32.44
+ amortization and depreciation	16.21	18.89
+ value adjustments	-	-
Normalised EBITDA	51.65	51.33

ONE-OFF ITEMS IN 2025

In the 1 – 12 2025 period, expenses related to the acquisition of the agricultural segment of the Fortenova Group were booked in the amount of EUR 0.53m. Income from re-invoicing the stated cost to the related company Podravka Agri d.o.o. was EUR 0.41m. For the total effect of the acquisition costs, it is necessary to consult the consolidated statements of the Podravka Group. Also, costs of severance payments of EUR 0.08m

and additional bonus costs of EUR 0.04m due to the introduction of the new SAP system were incurred. An additional positive effect during 2025 relates to the sale of part of the non-operating assets amounting to EUR 0.3m. The normalisation below the EBIT result primarily refers to the received tax incentive in accordance with the Investment Promotion Act, amounting to EUR 1.12m. The estimated impact of all these one-off items on tax amounts to EUR 0.01m (increases it).



In the 1 - 12 2024 period, Podravka Inc. incurred EUR 0.24m costs of severance payments for employees due to reorganisation and long-term sick leaves, EUR 0.30m of costs for provisions related to one-time bonuses on the introduction of the new SAP system, and EUR 0.05m of costs arising from changes in the fair value of investments in the Fortenova Group (old debt). In 2024, Podravka Inc. collected the border debt, including the related interest from the Fortenova group based on the Settlement concluded in the Extraordinary Administration procedure over the company Agrokor d.d. and its subsidiaries, in the total amount of EUR 8.25m. The effect in the income statement amounts

to a positive EUR 3.42m (of which the effect related to border debt amounts to EUR 1.97m, while financial income from interest amounts to EUR 1.45m). During 2024, the recorded costs at Podravka Inc. related to the acquisition of the agro-business of the Fortenova Group, amounting to EUR 1.37m, were re-invoiced to a related company. To assess the total effect of the acquisition costs, the consolidated reports of the Podravka Group need to be consulted. The normalisation below the EBIT result primarily relates to the received tax incentive under the Investment Promotion Act, amounting to EUR 8.5m. The estimated impact of all these one-off items on tax amounts to EUR 0.51m (increases it).

NORMALIZATION OF PODRAVKA INC. PROFIT AND LOSS STATEMENT

(in EUR millions)	1 - 12 2024 Podravka Inc.	1 - 12 2025 Podravka Inc.
Reported EBIT	36.82	32.49
+ severance payments	0.24	0.08
+ sale of non-operating assets	(0.00)	(0.30)
+ cost related to the acquisition of Fortenova's agro business	1.37	0.53
+ revenues from the re-invoicing of costs related to the acquisition of Fortenova's agro business	(1.37)	(0.41)
+ rewards related to the new SAP system	0.30	0.04
+ change in the fair value of investments related to Fortenova's old debt	0.05	-
+ effect of Fortenova's collection of border debt	(1.97)	-
Normalised EBIT	35.44	32.44
Reported Net Profit	52.77	49.21
+ normalizations above EBIT level	(1.38)	(0.05)
+ tax benefits according to Investment Promotion Act	(8.50)	(1.12)
+ interest income based on Fortenova's border debt	(1.45)	-
+ estimated impact of normalization on taxes	0.51	0.01
Normalised Net Profit	41.95	48.05



SHARE IN 2025

LIST OF MAJOR SHAREHOLDERS AS AT 31 DECEMBER 2025

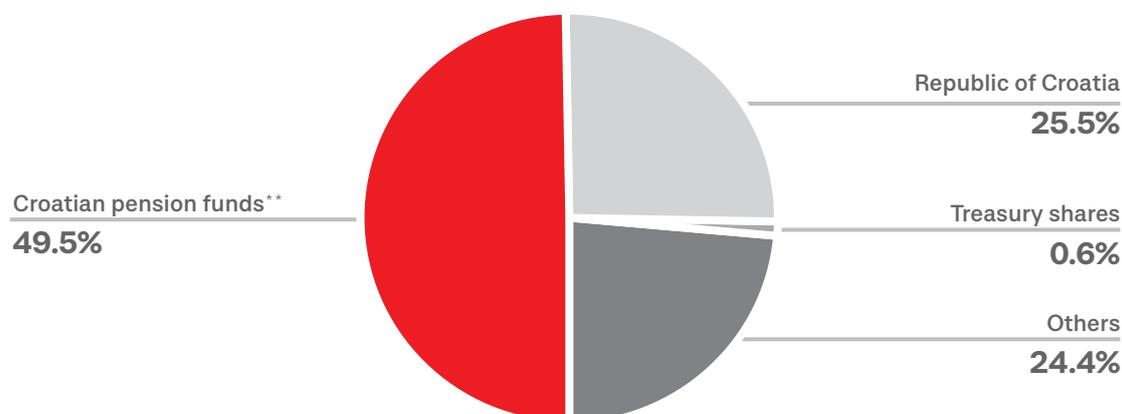
No.	Shareholder	Number of shares	% of ownership
1.	RSC* - Republic of Croatia	1,187,732	16.7%
2.	PBZ Croatia osiguranje mandatory pension fund, category B	1,097,644	15.4%
3.	AZ mandatory pension fund, category B	934,026	13.1%
4.	Raiffeisen mandatory pension fund, category B	625,298	8.8%
5.	Erste Plavi mandatory pension fund, category B	613,643	8.6%
6.	Pivac Brothers Meat Industry	511,519	7.2%
7.	Capital Fund	406,842	5.7%
8.	HPB d.d./Republic of Croatia	167,281	2.3%
9.	Radnik d.d.	77,778	1.1%
10.	Bistra d.o.o.	75,015	1.1%
	Other shareholders	1,423,225	20.0%
	Total	7,120,003	100.0%

* The Restructuring and Sale Centre holds 1,241,504 shares through two accounts, Capital fund Inc. holds 406,842 shares, the Republic of Croatia additionally holds 167,281 shares on a separate account.

Podravka Inc. has a stable ownership structure where the most significant stake is held by the Republic of Croatia and domestic pension funds. A total of 7,120,003 shares have been issued at nominal price of EUR 30.0 per share. As at 31 December 2025, the Republic of Croatia holds 25.5% stake, and domestic pension funds (mandatory and voluntary) hold a total

of 49.5% stake. Podravka Inc. has 0.6% of treasury shares. Podravka Inc.'s shares have been listed on the Prime Market of the Zagreb Stock Exchange and in eight Zagreb Stock Exchange indices (CROBEX, CROBEX10, CROBEXtr, CROBEX10tr, CROBEXprime, CROBEXplus, CROBEXnutris and ADRIAprime).

OWNERSHIP STRUCTURE AS AT 31 DECEMBER 2025



** Includes all mandatory and voluntary pension funds managed by the pension companies: AZ, ROMF, PBZCO and ERSTE.



SHARE PRICE MOVEMENT IN 1 – 12 2025

PODR CROBEX CROBEX10



(closing price in EUR; closing points)	31 December 2024	31 December 2025	%
PODR	148.5	150.0	1.0%
CROBEX	3,191.2	3,857.2	20.9%
CROBEX10	2,002.7	2,461.6	22.9%

In the reporting period, the price of Podravka's share increased by 1.0% compared to the end of 2024. At the same time, the CROBEX and CROBEX10 stock indices grew by 20.9% and 22.9%, respectively.

RESULT ON THE CROATIAN CAPITAL MARKET IN 1 – 12 2025

(in EUR; in units)*	1 - 12 2024	1 - 12 2025	%
Weighted average daily price	157.7	147.8	(6.3%)
Average daily number of transactions	12	13	15.4%
Average daily volume	725	629	(13.2%)
Average daily turnover	114,325	92,218	(19.3%)

* The weighted average daily price in the reporting period is calculated as the sum of the weighted average daily prices in the reporting period, multiplied by the daily volume weight. The daily volume weight is calculated as a ratio of daily volume and total volume in the reporting period. The formula, *Weighted average daily price in the reporting period = Σ average daily price * (daily volume / total volume in the reporting period)*. Other indicators are calculated as the average of average daily transactions/volume/turnover in the reporting period. Block trades are excluded from the calculation.

In the 1 - 12 2025 period, the weighted average daily price of Podravka's share recorded a decrease of 6.3% relative to the comparative period. Compared to 1 - 12 2024, the average daily number of transactions is 15.4% higher, the average daily volume decreased by 13.2%, and the average daily turnover decreased by 19.3%.



10 Expected Development





In June 2025, Podravka Group adopted a new Business Strategy through 2030, covering all three segments – Food, Agriculture (Agri) and Pharmaceuticals – with the objective of achieving sustainable and profitable growth, strengthening its international presence, and ensuring responsible governance in line with best corporate governance practices. The Strategy builds on the strong foundations established in the previous period and sets the direction for the Group to continue creating long-term value for its stakeholders through disciplined capital allocation and further modernization of operations.

In the coming period, despite ongoing macroeconomic pressures and risks, further strengthening of the international position of the Food portfolio is expected, with a focus on the internationalization of key brands and categories. The strategic focus will be on high-potential, high-margin categories – universal food seasonings, soups, cereals and creamy spreads. Positioning Vegeta as a global brand remains a strategic priority, alongside the expansion of the assortment marketed under the Vegeta brand in international markets. At the same time, the

development of categories whose potential has been further reinforced by the previous investment cycle will continue – from tomato-based products and ready meals to bakery snacks. In the domestic and regional markets, existing leading positions will be maintained and enhanced through selective portfolio localization and the development of higher value-added channels. The establishment of a Business Development Division as of early 2026 underscores the increased focus on innovation and portfolio expansion in line with the Nutrition Strategy and evolving consumer habits and demographics, with an emphasis on the highest-value and highest-potential categories. Further increasing the share of agricultural raw materials sourced from own and domestic production, while ensuring excellence in crop cultivation, will also remain a key priority.

In Pharmaceuticals, the priority will be organic growth in selected therapeutic areas, with a particular focus on dermatology and the OTC portfolio, as well as the strengthening of research and development capabilities. This will be achieved by expanding the new portfolio through the launch of new products, primarily



in the dermatology segment, with a strategic focus on dermatology, cardiology, the central nervous system and OTC, alongside a stronger presence in existing markets and targeted expansion into new ones, primarily Poland, Romania and Bulgaria. The segment will further enhance its research and development processes and capacities, as well as Business Development (Medical Affairs), in order to ensure a coordinated and efficient launch of the new portfolio in selected markets. This includes the establishment of a center of excellence in dermatology, partnerships in the development of new products, and the strengthening of regulatory and quality capabilities related to product safety. Particular emphasis will be placed on supply chain efficiency, quality and safety, as well as disciplined pricing and promotion management, supported by consistent execution of commercial plans and standardized processes across priority markets.

In Agriculture (Agri), the third pillar of the Group, the integration of the acquired companies into a unified value chain will continue in the forthcoming period. Further optimization, standardization and business improvement are expected, aimed at ensuring sustainable productivity, quality and profitability of agricultural production, with greater cost predictability, disciplined capital allocation and consistent realization of synergies with the Food segment through aligned planning, standardized quality processes and efficient logistics. Priorities include economically optimized sowing plans, higher yields and improved biological performance indicators in crop farming and livestock production, modernization of technology and storage capacities, and the strengthening of S&OP and controlling processes to accelerate the realization of synergies in procurement, quality and logistics.

Across all segments, the Group will accelerate the digital transformation of its business processes – from planning, production and logistics to commercial activities – with the aim of shortening decision-making cycles, improving forecast accuracy and reducing unit costs. In the coming period, continued focus will be placed on efficiency improvements and process standardization, a more agile organizational setup and faster implementation of best practices across all subsidiaries of the Group.

Following the successful completion of transactions in 2025 – the divestment of the Confectionery business under the Šumi and Gorenjka brands (Food pillar) and the Pharmacy business of Ljekarne Deltis Pharm (Pharmaceuticals pillar) – the Group continues to

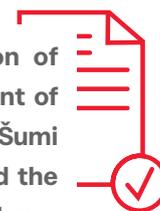
consistently implement disciplined portfolio management. This includes the potential for selective acquisitions that accelerate growth and synergies, as well as possible divestments of non-core categories, supported by strict capital discipline and clear return criteria. The primary objective is to increase overall profitability, sharpen the focus on core competencies and strengthen the Group's long-term competitiveness.

The investment framework includes continuous investments in the modernization of production and technology. In the Food segment, average annual investments are planned; Pharmaceuticals will intensify investments in research and development; while the Agri segment is expected to enter a stronger multi-year investment cycle.

ESG objectives are fully integrated into the Group's business strategy and operational plans.

Key priorities include reducing CO₂ emissions, increasing the share of renewable energy sources, optimizing packaging in line with circular economy principles, reducing food waste, and ensuring responsible soil and water management. At the same time, the development of products with improved nutritional profiles will be encouraged, alongside responsible human capital management through the continuous enhancement of working conditions, competence development and active partnership with the communities in which the Group operates.

Based on the adopted strategic framework, planned investments and operational priorities, Podravka Group is expected to continue delivering sustainable and high-quality growth in the forthcoming period, while strengthening its international position, further improving efficiency and responsibly managing its environmental and social impacts. Such an approach ensures the Group's long-term competitiveness and resilience, as well as the continuous creation of value for shareholders and all other stakeholders.



11 Brands of Podravka Inc.



VEGETA is Podravka's most famous and strongest brand, which, in over six decades of its existence, has entered the kitchens of consumers in more than sixty countries, from Australia to the USA. Under the Vegeta brand, there are universal food seasonings, special food seasonings, meal preparation mixes, single spices, bouillons, and many other products. Listening to the dietary needs and preferences of modern consumers, Vegeta has always provided new culinary solutions and followed the latest trends, whether in design, packaging, communication, or new products. For millions of consumers, Vegeta is an inspiration and help in everyday cooking, offering culinary ideas through numerous recipes. Vegeta is today the best-selling dehydrated food seasoning in Europe, seasoning a variety of dishes daily and winning the hearts and palates of its consumers.



FANT meal mixes will enrich anyone's culinary skills, making every culinary attempt successful and delicious. Fant answers the everyday question "What to cook today?" enabling the simple preparation of even the most complicated dishes and guaranteeing excellent taste every time. In the wide assortment of Fant products, there is a variety of dishes, from traditional ones to international cuisine, as well as newer, modern dishes that can now be prepared in either a vegetarian or classic version, thanks to Fant. Fant also offers dehydrated sauces in a wide range of well-known flavours.

MAESTRO is a brand with a rich tradition in the Slovenian market that provides consumers with security, the warmth of home, and the ability to explore different flavours with a constant guarantee of quality. The assortment of single spices and special food seasonings under the Maestro brand has been an inspiration in the kitchen for over seven decades, bringing a richness of flavour that enhances every dish and serving as an indispensable companion in every kitchen. With a wide assortment of Maestro spices, herbs, and spice mixes, anyone can easily become a maestro in their own kitchen.



The homemade taste is a key value of **PODRAVKA SOUPS**. They are extremely easy to prepare, provide a quality meal in just a few minutes, and still leave room for personal creativity. Podravka soups continuously follow the latest dietary trends, and within the wide and diverse assortment of clear and cream soups, consumers have been finding their favorite flavours for over 65 years, which is further confirmed by Podravka soups' market leadership across nearly all regional markets and their presence in more than 35 markets worldwide.



The practicality of preparation and excellent taste are characteristics of **TALIANETTA** pasta, which allow consumers to prepare a delicious and nutritious meal in just a few minutes. Talianetta responds to the increasing demand from consumers for semi-ready and instant meals, providing quick and quality solutions for a standalone meal or as a side dish to other dishes.

The logo for Talianetta is written in a blue, cursive script font with a registered trademark symbol.The logo for Fini-Mini is written in a red, bold, rounded font with a registered trademark symbol.

For those seeking solutions without cooking, there are products from the **FINI MINI** assortment – instant soups and noodles, meals ready in just a few minutes. These products are carefully prepared to meet the needs of modern consumers who appreciate convenience and the excellent taste of recognizable quality.

For more than half a century, **ČOKOLINO** has been an indispensable part of family moments, a symbol of childhood and a cherished memory of growing up that continues to delight all generations – from the youngest to those who still, with nostalgia, choose their favourite “spoonable” meal. Today, alongside the classic variant, modern versions such as Čokolino Dark, Protein, Fit, Plus and gluten-free Čokolino are also available, winning over new generations with their nutritional value, innovative composition and flavour. This is further supported by the fact that, according to Nielsen retail panel data in Croatia (March 2025), Podravka stood out as the leading breakfast cereal manufacturer. To mark this year’s major anniversary, Čokolino decided to surprise its loyal consumers with a new limited-edition product – Čokolino Toffee. Simply put, yet another product that delivers a moment of enjoyment – especially for me, because after all, Čokolino is not just a meal; Čokolino is a story, a memory and an emotion. And with 55 years behind it, one thing still holds true – Čokolino grows with you.

The logo for Čokolino is written in a dark brown, bold, rounded font with a white outline and a registered trademark symbol.The logo for Lino is written in a blue, bold, rounded font with a white outline and a registered trademark symbol.

LINO reveals a rich, diverse, and marvelous world of flavours, with tasty and healthy products carefully prepared for happy and healthy growth. The absolute hit among both small and large consumers, Lino Pillows cereals offer enjoyment with a crispy, creamy flavour. Listening to consumer desires, Lino cereals also provide wholegrain and gluten-free solutions. As a reliable manufacturer of baby food for over fifty years, Podravka offers a wide range of baby food that provides all the necessary ingredients for a child's growth and development. Thanks to convenient packaging, the natural and fine Lino baby products are also ideal for consumption outside the home.

For more than 50 years, the **KVIKI** brand has been bringing crispy snacks with excellent taste to consumers and delighting generations with its high-quality, fun and convenient bites. The assortment offers a wide selection of savoury baked and fried snacks – from pretzels, sticks and fish-shaped crackers to the long-recognised and original Kviki Grica – perfect for any occasion. Kviki is the ideal snack for sporting get-togethers, movie nights, parties and all the important moments in life that we share with friends.

The logo for Kviki is written in a bold, yellow font with a black outline and a registered trademark symbol.



1001 CVET and **PODRAVKA TEAS** ensure that you can find your perfect cup of enjoyment among a wide selection of unique blends made from the finest and highest-quality ingredients. 1001 CVET/Podravka teas are a good habit drawn from nature, composed of carefully cultivated and harvested – and even more carefully combined – ground medicinal herbs and fruit in proportions that give them an unforgettable aroma. Emphasising naturalness and environmental sustainability, the brand is committed to preserving nature, while the new assortment enables consumption beyond the seasonal offering.

LINO LADA is a popular brand of cream spreads, distinguished by its premium quality, the widest selection of flavours, and a variety of packaging tailored to different consumers and occasions. Thanks to its innovativeness and continuous investment in development, it now holds a significant position in the spread market in the region, while demand is also expanding to international markets. Since 2025, Lino Lada has been the number-one chocolate spread in Croatia, confirming its status as a favourite product among consumers. In addition to cream spreads, Lino Lada remains one of the most sought-after flavours in the ice cream category and is also present in impulse products such as pillow cereals, wafers, and doughnuts. The brand further stands out as one of the few recognised players in the peanut butter category.



DOLCELA is a brand that consumers have trusted for years. With a broad portfolio and high quality, Dolcela offers simple solutions for preparing desserts that deliver genuine enjoyment. At the same time, it responds to the needs of modern consumers by introducing innovations and modernising its packaging, while taking environmental considerations into account through the use of recyclable packaging solutions for cake and cream mixes. In 2025, Dolcela also received recognition for its creativity at this year's Ideja X competition, where it won the gold award for "Best Outdoor – OOH (Best in Channel)", the silver award in the "Food (Best on Market)" category, and the bronze award in the "Best TV Commercial & Film (Best in Channel)" category.

PODRAVKA is a strong market player in the **READY MEALS AND SAUCES** category. Excellent homemade flavours, superior quality, and quick preparation are the main features of the broad range of ready meals. The category continued its positive growth trend and good results in 2025, especially in the domestic market, where it has seen market share growth for the third consecutive year. The latest addition to this category is the Gastro pouch ready meals line, designed for HoReCa customers. These products, due to their new type of packaging, represent an innovation in this segment, while maintaining all the main qualities of Podravka's ready meals—great taste, high quality, fast and simple preparation, and ambient storage and distribution.



PODRAVKA PÂTÉS have been a part of consumers' lives since 1958. Thanks to the high quality of their ingredients, perfectly spreadable texture, and excellent taste, Podravka chicken pâtés maintain a leading position in the chicken pâté category in Croatia. Made from selected meat and the finest spices, they create an irresistible combination for tasty bites while also serving as a valuable source of protein. They contain no preservatives, palm oil, or flavour enhancers. For those seeking more economical options, Piketa pâtés are also available in a variety of flavours and packaging.

The Podravka logo consists of the word "Podravka" in a white, sans-serif font, followed by a red shield-shaped icon containing a white heart. The entire logo is set against a red background.

PODRAVKA MEAT products, with their taste and quality, evoke positive emotions in us, reminiscent of the beloved flavours from our childhood—comfort food. For over sixty years, they have been an excellent protein meal for all generations, whether served as cold cuts, added to salads, or grilled. Due to their practical packaging, they are a popular choice for outdoor activities, hiking, or beach trips.

Knowledge, experience, dedication, and passion are woven into the creation of **PODRAVKA SEMI-DRY AND DRY CURED MEATS AND SAUSAGES**. The high meat content of the cured assortment makes these products a valuable source of protein, while quality ingredients and carefully selected spice blends ensure each product's characteristic, well-known aroma and flavour.

Although **O'PLANT** is the youngest brand in Podravka's portfolio, it successfully brings together innovative plant-based products within a compact, recognisable marketing concept, thereby developing a plant-based assortment in new market segments. The brand's key growth drivers are continuous product innovation and assortment expansion. Building on the innovations from 2024, including fruit cereal porridges and breakfast cereals, the O'Plant brand continued its dynamic development in 2025 with new frozen vegetable and fruit products, as well as innovative liquid O'Plant soups made from Croatian tomatoes. With its wide assortment, O'Plant products have become an excellent plant-based dietary complement and an increasingly popular choice for consumers seeking better, more varied, and tastier nutrition. O'Plant products are not only an excellent plant-based alternative to meat dishes but also serve as a nutritious and natural vegetable side dish that perfectly complements traditional meat meals.





The extensive range of fish products under the **EVA** and **MIRELA** brands includes a wide variety of fish types. The assortment features products made from sardines, tuna, mackerel, fish salads, herring, salmon, and hake. Products under the Eva and Mirela brands are rich in nutrients such as omega-3 fatty acids, protein, and vitamin D, making them part of a nutritionally balanced and healthy diet. In 2025, frozen fish products were also launched under the Eva brand, whose quality, taste, and design confirm Eva's expertise in the fish category.

During 2025 processing fresh tomatoes from Croatian fields reached full capacity, allowing consumers to enjoy the aromas of fresh tomatoes throughout the year. A wide range of products – from passata to ketchup and tomato concentrate – is entirely made from Croatian-grown raw materials of premium quality and freshness. **PODRAVKA TOMATO** is an indispensable ingredient in every kitchen, particularly in Mediterranean cuisine, and blends perfectly with a wide variety of culinary ingredients and recipes. Natural tomato products contribute to health while enabling creativity in preparing quick and convenient meals. In addition to classic Mediterranean dishes, they also complement established combinations in continental cuisine.

PODRAVKA FRUIT has been processed from premium fruit for over 75 years. The recipes of leading products, such as pomegranate jam, mixed fruit jam, or plum preserve, remain identical to the original formulations, guaranteeing the familiar full fruit flavour and the most natural sweet enjoyment. The Podravka fruit assortment has been expanded with new fruit spreads in squeeze packaging, offering new growth potential for the future.

PODRAVKA VEGETABLES, in both sterilised and pickled varieties, preserve the highest nutritional value. The products are highly convenient and ready to consume throughout the year, suitable for a variety of dishes from salads and side dishes to sauces, stews, and sandwiches. Podravka's canned peas and beetroot are made entirely from vegetables grown on Croatian fields.

Perfect texture and proven flavour make **PODRAVKA CONDIMENTS** – including ajvar, mustard, ketchup, and horseradish – ideal complements to a wide variety of dishes. Podravka's tasty and aromatic condiments offer special gastronomic value, providing consumers with excitement and an experience of premium flavour. Certain products, such as ajvar, also contain a true wealth of nutrients and can rightfully be considered superfoods. Podravka continuously develops the condiment market by offering consumers new and exciting flavours. The latest innovation in the line is ZIK ZAK Paprichup, an exciting sauce primarily aimed at young consumers.

Podravka



The Podravka logo consists of the word "Podravka" in a white, sans-serif font, followed by a red shield-shaped icon containing a white stylized heart or leaf symbol. The entire logo is set against a red background.

PODRAVKA FLOUR has been synonymous with quality for many years and is an indispensable ingredient in the preparation of delicious breads, pastries, cakes, and more. The Podravka flour assortment consists of standard flour types as well as purpose-specific and specialty flours, while its recognisable and unique packaging design further enhances the brand's image and status.

ZLATO POLJE is synonymous with high-quality side dishes, including rice, pasta, polenta, semolina, porridges, and frozen side dishes such as croquettes, rolls, štrukli, and dumplings. Through its wide assortment, Zlato Polje offers products for the whole day and for every occasion.



12 Innovations, Awards and Recognitions



RESEARCH and Development

In line with contemporary guidelines for healthy and sustainable nutrition, the Nutrition Strategy of the Podravka Group (Food segment) for the period 2022–2027 clearly demonstrates the company's commitment to offering consumers nutritionally improved products, actively promoting healthier and more sustainable eating habits. This further confirms Podravka's responsibility towards consumers and highlights the important role that high-quality food products play in supporting long-term health.

The commitment to achieving the goals of the Nutrition Strategy is reflected through continuous product development and innovation, as well as systematic monitoring of nutritional trends and consumer habits. The new generation of consumers significantly influences portfolio shaping, and it is the company's responsibility to provide high-quality products that consumers want, need, and trust.

Shaping the portfolio towards nutritionally improved products naturally encourages consumers to adopt healthier dietary habits. The development of new products and the improvement of existing ones, with reduced salt and sugar content or without added amounts—whose long-term excessive intake is associated with adverse health effects—significantly contributes to the overall nutritional quality of the food product portfolio. This ensures consumers have a broader and more diverse choice, making it easier for them to make dietary decisions aligned with the principles of sustainable and balanced nutrition.

The Podravka Group Nutrition Strategy defines clear objectives for improving the nutritional quality and sustainability of the entire product portfolio. In line with this, the key commitments focus on the following priorities:

- Reduction of salt and added sugars: Reduce the average content of salt and added sugars by 20% in at least 75% of new and reformulated products.
- Incorporation of positive ingredients: Include at least one ingredient contributing to a healthy and balanced diet—such as dietary fibre, protein, vitamins, or minerals—in at least 75% of new and reformulated products.
- Increase the share of sustainable ingredients: Base at least 40% of new and reformulated products on ingredients linked to sustainable nutrition, such as fruits, vegetables, legumes, whole grains, and plant-based protein sources.
- Support for sustainable diets overall: Encourage sustainable nutrition across 100% of products.

In implementing the Nutrition Strategy, particular emphasis has been placed on the development of new products and the continuous improvement of existing ones, as key processes for achieving overall strategic objectives. During the reporting year, significant efforts were made to enhance the nutritional quality across a wide range of Podravka product categories, systematically contributing to the achievement of the Nutrition Strategy goals.

Within savory product categories, such as soups and ready-to-eat meals, meal mixes, condiments, meat and fish products, and bakery items, an average salt reduction of 20.7% was achieved in 48.2% of new and reformulated products.

At the same time, in sweet product categories, such as baby food, breakfast cereals, fruit snacks, dessert mixes, jams, and condiments, an average sugar reduction of 64.6% was achieved in 72.1% of new and reformulated products.



Sustainable nutrition, in addition to nutritionally improved products with reduced salt and sugar, supports health by encouraging the consumption of food categories that are underrepresented in the diet, such as vegetables, fruits, whole grains, nuts, and legumes, and through portion sizes adapted to real dietary needs. It is defined as nutritionally adequate, accessible, and culturally acceptable, with an optimal environmental impact throughout production and consumption.

The commitment of the Nutrition Strategy for Podravka's entire product portfolio to support sustainable nutrition means that every product, through its composition or various forms of communication, contributes to the accessibility of proper nutrition and represents a valuable part of the solution for daily adoption of healthy and sustainable dietary patterns.

In 2025, 72.3% of new and reformulated products included positive ingredients such as proteins, fibre, vitamins, and minerals, while 43.9% of new and reformulated products were based on a significant proportion of ingredients associated with sustainable nutrition, including fruits, vegetables, legumes, whole grains, and plant-based protein sources. The contribution achieved in 2025 represents further progress in the development of a portfolio in which 63% of products actively promote sustainable nutrition.

Collaboration with the local community in 2025 was particularly evident through the development of

standards for school meals and educational activities aimed at children and youth. The project "Smart Meal for Smart Kids," focused on improving and standardizing nutrition in 18 primary schools in the Koprivnica-Križevci County, reached more than 3,400 students during 2025. Podravka's nutritionists developed 217 meal standards for dishes prepared over forty working weeks of the school year to support school nutrition.

As an **extension of support for primary schools across Croatia, the booklet "School Menus with Podravka" was prepared**, containing over fifty standards for school meals. This publication is the result of long-term collaboration with primary schools in Koprivnica and Koprivnica-Križevci County in developing standardized norms for school meals.

In the field of nutrition education, more than one hundred hours were invested in 2025 to implement educational activities for children, youth, and adults. Podravka's nutritionists, both independently and in cooperation with other teams within the Podravka Group, conducted workshops and lectures for students and school staff in three counties in northern and eastern Croatia and participated in the Science Festival at the University of North. These activities further contributed to strengthening knowledge and raising awareness of the importance of proper and balanced nutrition.



NEW Products

In the **universal seasoning category**, a key innovation relates to the introduction of a **new, modern, attractive, and iconic visual identity for Vegeta**, nearly ten years after its last refresh. While preserving the core elements of Vegeta's recognisability, the packaging redesign communicates to consumers what matters most – the pleasure of excellent taste in dishes prepared with Vegeta. **The new Vegeta design was launched** on the Croatian market at the beginning of 2025 and was gradually rolled out to all other markets during the same year.

At the beginning of 2025, Vegeta further enriched its portfolio with two new, contemporary products within the universal seasoning range: **Vegeta Sweet Chili** and **Vegeta Smoked**. These innovative products further strengthen the brand's modern perception, having been developed for today's consumers and creating opportunities to enter the territory of globally inspired cuisines that currently enjoy strong popularity. Their use remains as clear, intuitive, and universal as that of Vegeta Original, offering a simple way to enhance everyday meals with new and exciting flavours.

The unique category of **Vegeta Natur paste seasonings** has been expanded with a new product – **Vegeta Natur Mild Paprika Paste**. Vegeta Paprika Paste serves as a base or an addition to dishes and can be used before, during, or at the end of cooking. It adds depth of flavour to meals while providing consumers with an additional high-quality choice within the still-developing paste seasoning category.

In the special seasonings category, Vegeta continues to strengthen its portfolio with innovative products aligned with contemporary culinary trends. During the year, **Vegeta Natur for Sweet Potato** was launched, a seasoning designed to facilitate the preparation of dishes featuring this increasingly popular ingredient. In the Czech market, a seasonal **Podravka Grill range** was introduced, featuring marinades: Teriyaki – Honey, Sweet Chili, Mustard & Mediterranean, and BBQ.



The single-spice segment was marked by innovations aimed at enhancing consumer experience and improving shelf visibility. **Ceramic grinders** were introduced across all markets, while in Slovenia an additional range of new products was launched: Chili and Salt, as well as Mediterranean and Provençal Blend. **Coloured caps** were introduced on single-spice shakers to improve on-shelf differentiation and facilitate easier product navigation for consumers. At the same time, logistics for SRP packaging of shakers and grinders on the Maestro line were optimized. During the year, **Vegeta Maestro Granulated onion** was launched in the markets of Croatia and Montenegro.



Within **the meal mix category**, the Fant brand continues to follow market trends and offer innovations to consumers, both in flavours and in meal preparation concepts. In 2025, **the redesign of the Fant dual and international meal range** continued, creating a stronger shelf block while making the brand more modern and appealing to younger consumers, without compromising the recognisable core design elements. The Fant dual meal range was expanded with two new popular products offering quick and simple preparation: **Fant for Chicken or Vegetable Paprika Stew** and **Fant for Burger or Veggie Burger**.



With the aim of internationalising the meal mix portfolio and expanding the Vegeta brand into a new category, **Vegeta Basis meal mixes** were launched on the Austrian market in 2025. This represents a modern and innovative dual meal preparation concept, allowing consumers to choose between a meat-based or vegetarian preparation in line with dietary trends and habits in the Austrian market. The range comprises five products: **Goulash/Vegetable Goulash, Spaghetti Bolognese/Veggie Spaghetti, Pasta Asciutta/Veggie Pasta Asciutta, Turkey/Seitan in Cream and Mushroom Sauce, and Chicken/Zucchini in Four-Cheese Sauce.**



Podravka soups continue to represent a practical and tasty solution for every occasion and every preference. In 2025, a new clear soup flavour was launched – **Chicken Soup with Grated Pasta**, featuring a type of pasta characteristic of traditional homemade soups. The combination of meatballs, rich grated pasta, and carefully selected vegetables and spices, without added flavour enhancers, further enriches the portfolio and provides consumers with the warmth of a homemade taste.

In addition, the soup category introduced a unique innovation within the plant-based segment – three new **liquid soups made from Croatian tomatoes under the O'Plant brand: Tomato Soup Classic, Tomato Soup Spicy, and O'Plant Tomato and Lentil Soup.** Launched under the O'Plant brand, these liquid soups follow a plant-based concept – they are made from plant-based ingredients, without preservatives, flavour enhancers, additives, colourings, or aromas, and carry the vegan label. They are packaged in glass bottles that preserve full flavour while offering a more sustainable option for consumers who value quality and environmental responsibility.



Within the Fini-Mini Noodles range, two new products were launched – **Teriyaki** and **Spicy Beef** – enriching the assortment with modern, globally popular flavours. In the multipack segment, a new **Simply** line was introduced, offering the best-selling **Chicken** and **Beef** flavours in a practical format without added oil, responding to growing demand for quick, tasty, and affordable meal solutions.



In 2025, Podravka introduced **Zik Zak Papri-chup** to consumers, an innovation in the sauce segment available in two flavours – mild and hot. Zik Zak is produced with a high paprika content, making it a natural source of vitamin C. It contains no preservatives and comes in a bottle with a practical anti-drip cap. All packaging components – the bottle, cap, and label – are made from recyclable materials. This fully natural sauce is intended for versatile use. It can be served as an accompaniment to dishes such as hamburgers, sandwiches, fries, and grilled meat, or used as an ingredient in the preparation of various stews. Zik Zak is also distinguished by its balanced combination of salty, sour, sweet, and spicy flavours, making it suitable for a wide range of dishes. The development of this product forms part of Podravka's innovation strategy in the food market. Zik Zak is also among the first free-from sauces on the market, meaning it contains no gluten, lactose, or cereals.

In the previous year, **frozen fish products** were launched under the Eva brand, including **hake fillets, Adriatic sardines, Patagonian squid, Argentine shrimp, and Atlantic salmon (Salmo salar)** – the most highly valued salmon species on the market. Eva frozen fish products are cleaned and ready to prepare, ensuring convenient and quick meal preparation for consumers. Product availability is not dependent on season or location, allowing consumers to enjoy Eva frozen products throughout the year. With this launch, Eva begins a new cycle of development and expanded focus on modern and younger consumers, bringing together all these benefits in one place.



Dolcela offers rich holiday assortment that combines domestic tradition with global trends. By introducing seasonal flavours such as **Dolcela Cinnamon Roll, Churros, Carrot Cake, and Cinnamon Muffin**, Dolcela has further enhanced the holiday baking experience. The entire line is packaged in recyclable materials, confirming Dolcela's commitment to meeting consumer expectations while taking responsibility for environmental sustainability.

In the value packaging segment, Dolcela moved closer to consumers seeking greater value for money. Larger formats such as **Muffins XXL** and **Gussnel XXL** have become key representatives of the value-for-money offering, particularly relevant during periods of increased inflationary pressure.

Additional visibility for Dolcela was generated through a limited collaboration between Dolcela and Lino Lada, which brought strong emotional value to the brand and increased its appeal among younger audiences. This collaboration demonstrated that a traditional brand can successfully create products that introduce freshness and excitement to the market. Through two attractive desserts – **Lino Lada Cake** and **Lino Lada Cake Pops** – the habit of involving younger consumers in home dessert preparation was further encouraged. As a fundamental pillar of the portfolio, Dolcela puddings were expanded through the innovative no-cook line, **Dolcela Perfetta Vanilla** and **Dolcela Perfetta Chocolate**, responding to the global trend of instant desserts that require quick, simple, and practical preparation.



As the leading chocolate spread in Croatia, Lino Lada continuously invests significant care in its consumers and regularly introduces new, premium, and irresistibly tasty products. Accordingly, in 2025 a new member of the Lino Lada family was introduced – **Lino Lada Milk Mania**. Created for those who love Lino Lada Duo but secretly crave even more white cream, Lino Lada Milk Mania fulfils that desire – with as much as seventy percent white cream, it is the ideal choice for consumers who favour milky notes. The striped dispensing format enables a playful flavour experience and encourages consumers to create their own perfect combination of delicate white and intense dark cream.



The goulash category was rejuvenated in 2025 with the launch of two new products – **Goulash with Potatoes** and **Gourmet Goulash**. By introducing new and distinctive flavours designed to appeal to both existing and new consumers, the goulash category was expanded and additional dynamism was created within this traditional segment. The concept of the new products was adapted to individual markets while consistently retaining recognisable goulash design elements to ensure shelf synergy.

The children's pâté segment continued to grow in 2025, with **Lino Njupalice** expanding its line through the launch of the new **Lino Tea Pâté**. This well-known tea pate flavour is prepared with chicken and chicken liver, following a recipe free from preservatives, added flavours, palm oil, and flavour enhancers. As a source of protein, the product supports children's growth and development and is fully adapted to their taste preferences and nutritional needs.

Development of the **ready-to-eat pouch meal** segment continued in 2025 with new products: Pulled Beef 2.5 kg, Spare Ribs 2.5 kg, and a bakery filling Burek Balkan Style 2.8 kg.



The development and strengthening of the **O'Plant** brand in 2025 continued through the redesign and rebranding of the frozen vegetable assortment. As a result, Podravka Frozen Vegetables received a new, modern look and were incorporated under the O'Plant brand. In addition to eight standard and established **frozen vegetable products**, the assortment was expanded with two new vegetable mixes for wok preparation and two frozen fruit products. Alongside the Croatian market, distribution of O'Plant frozen vegetables and fruit also started in Slovenia, further strengthening the O'Plant brand's position with key customers. O'Plant vegetables and fruits of exceptionally high quality provide a simple, quick, and healthy meal solution, offering consumers additional options and inspiration for meals throughout the day.



In 2025, **Čokolino Toffee** was launched – a quick and easy in/out dessert that guarantees a “just-for-me” moment of pleasure. To inspire consumers with diverse preparation options, several excellent recipes are available via a QR code on the back of the package. The product is made from 100% wholegrain oat flour, sweetened with honey and dates, and contains caramel flavour, a mix of extruded rice crisps with caramel and chocolate flavour, and crunchy toffee caramel with cinnamon. Toffee provides a creamy caramel taste, while the combination of flakes and crunchy additions adds textural variety, turning each bite into a special moment of enjoyment. The product can also be prepared with plant-based milk or water, depending on the desired consistency.



Lino Baby Muesli are specially formulated for children from the first year of life, with carefully selected high-quality ingredients tailored to their nutritional needs. They combine creamy whole grains with crunchy additions that encourage little ones to chew and explore new flavours, helping to create a positive feeding experience. Lino Baby Muesli comes in three irresistible flavour combinations: **Multigrain & Strawberry, Oat & Plum, and Multigrain & Chocolate**. Sweetened with dates and rich in whole grains and crunchy pieces, Lino Baby Muesli turns every meal into a healthy adventure. They are easy to prepare with milk and provide a perfectly nutritionally balanced meal for young children.

The Children’s Cereals category was enriched in 2025 with two new, special products – **Lino Pillows Duo** and **Lino Pillows White**. Lino Pillows Duo were created in response to consumer demand for more playful, fun, and flavourful experiences. The dual-colored pillows combine milk and chocolate fillings to create a dynamic, joyful experience, while Lino Pillows White is designed for those seeking a delicate, milky, and creamy taste. They are a natural choice for consumers who prefer gentler, more elegant flavours and want a tasty alternative to stronger aromas.



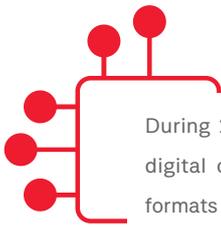
Kviki Gric was expanded with two new flavours – **Sour Cream & Onion** and **Nacho Cheese** – further strengthening the assortment of this popular snack aimed at a wide range of consumers. The nacho cheese flavour stands out with mild saltiness and gentle spiciness, accompanied by a characteristic aroma that appeals to fans of more intense flavours. The sour cream & onion variant combines creamy and aromatic notes, attracting consumers who favor classic flavour combinations.



The new line of **Podravka teas** offers three carefully crafted fruit flavours inspired by the diversity of different regions, creating a harmonious experience throughout the year. **Očaravajući Voćnjak** delivers a warm, nostalgic aroma of homegrown fruit with a gentle, playful sweetness reminiscent of traditional orchards. **Čarobni Vinograd** blends the juicy sweetness of grapes with the mild tartness of aronia, producing a full, rounded flavour that evokes the richness of autumn vineyards. **Primorski Raj** refreshes with a Mediterranean character, combining citrus freshness with pomegranate and fig for a lightly exotic, sun-kissed experience. Together, these teas offer the perfect balance of warmth for cold days and refreshment for warm months, providing natural enjoyment and aromatic harmony throughout the seasons.



DIGITAL Innovations



During 2025, Podravka continued to strengthen its digital channels and innovations through scalable formats and tools that simultaneously increased reach, personalization, and operational efficiency, with a clear connection between digital activities and sales objectives, as well as measurable contributions to user engagement in key markets.

FOCUS ON DIGITAL CHANNELS AND TARGETED COMMUNICATION

Fini-Mini launched its official TikTok profile in May to engage more effectively with consumers through fun and creative content, reflecting the brand's signature energy as a product "with attitude."

In 2025, Vegeta executed two waves of digital activations for its new communication platform and the redesign of "Cooking is Scary", generating **approximately 40,000 entries in competitions on vegeta.com/hr**, with additional amplification on social media through influencer partnerships and relevant media coverage.

Structured **digital communication in the DACH market** was established to actively support sales activities and strengthen Podravka's position among younger consumer segments. **Vegeta became the first CEE brand on Netflix Advertising (Germany)**, achieving over 650,000 ad impressions. Digital channels were connected to points of sale through the EDEKA app (coupons) and an innovative **interactive banner format, PiRate AdChat** ("Kochen ist verdammt gut mit Vegeta"), guiding users toward conversion and Vegeta purchase with a €0.50 discount in the EDEKA app. A total of 1,000 Vegeta coupons were claimed. Additionally, Vegeta was integrated into a podcast with renowned nutritionist Dr. Anna Fleck, where the brand was naturally incorporated into discussions about healthy and flavourful eating.

Lino Lada in-app advertising delivered results above plan, with particularly strong user engagement: as much as 7.43% clicked on the ad, confirming the relevance of mobile applications in building brand awareness among younger consumers and parents.

New Instagram channels were launched for the U.S. and Sweden markets (Podravka US and Podravka Sverige) to strengthen local presence and deliver communication tailored to the habits of each market. In early 2025, the Lino Kids Instagram profile was also launched, targeting parents with a focus on product news, trends, DIY projects, and building a relevant user base.

On META channels (Facebook and Instagram), Coolinarika recorded year-on-year growth across all metrics. Followers on Coolinarika's Facebook profile increased by 0.31%, reach grew by 49%, and engagement rose by 270%. On Instagram, followers increased by 0.32%, reach grew by 2.4%, and engagement increased by 24%. **The Coolinarika TikTok profile reached 92,000 followers** in 2025 (+12% vs. 2024) with **video views up 1,083% year-on-year.** Throughout the year, a continuous testing and learning approach was introduced to further optimize content, engagement, and cost efficiency across digital channels.

AI AND PERSONALIZATION – COOLIE

The Coolie project made a significant contribution to user growth and engagement on the Coolinarika platform during the year. Thanks to personalized communication and continuous improvements, **the Gen Z audience increased by more than 10% year-on-year.** In the new development phase in 2025, the user experience





(UX) of the assistant was enhanced, **resulting in 2.4 million message exchanges, engagement from 904,965 users, and a reduction of negative sentiment to just 2%**. Coolie remembers the preferences, allergies, and interests of more than 5,000 users, and proactive communication via WhatsApp led to a **70% increase in activity following the UX improvements**. New UX elements and interactive functionalities, such as Fun Search options (“Break Up,” “Midnight Snack,” “Complain to Coolie”), further increased user engagement, with 10% of users actively using these features.

A standout digital activation was the “Complain to Coolie” microsite, which, in just 12 days and with a limited media budget, achieved over **100,000 page views and more than 700,000 views on TikTok, with a 76.9% WhatsApp open rate** (four times the industry average) and 88% WhatsApp engagement (four times the average).

Coolie continued to receive industry recognition in 2025 by reaching the finals at domestic and regional conferences: Dani komunikacija in Rovinj (finalist in the *Direct Response and Lead Generation Campaign* category for the “KuhAI with Coolie” campaign) and the SEMPL Conference in Portorož (finalist in the categories *Best Technology Approach and Innovative Use of New Media, Media Format, or Communication Channel*).

DIGITAL PLATFORMS AND USER EXPERIENCE (UX)

Vegeta continued the **redesign of the vegeta.com market websites** to provide users with an improved experience across 16 language-specific subpages.

In October, a **new corporate website for the Podravka Group was launched**, featuring a refreshed design, simplified user experience, and a focus on sustainability, innovation, people, and financial information. Additionally, the **Podravka Expert platform** was launched for the Gastro segment, serving as a professional knowledge-sharing platform from chefs to chefs.



DIGITAL INFRASTRUCTURE, DATA, AND AUTOMATION

A Contact Center application with Consumer 360° functionality was implemented, modernizing support processes and ensuring a faster and more efficient consumer experience. The platform integrates AI chatbots, web forms, sentiment analysis, crisis detection, and full GDPR compliance. By unifying all communication channels into a single ecosystem, the platform delivers a true omnichannel experience, ready for future B2B integrations.

A Marketing Automation tool was also introduced, with SAP Emarsys implemented for campaign automation and personalization (launch of newsletter campaigns and dynamic support for sales activities in Croatia is underway). **Foundations have been laid for broader use of BI analytics and Emarsys**, as well as the development of an internal Podravka Data Lake, serving as the central repository for results from online campaigns and advertising channels linked to the database.

A DAM (Digital Asset Management) platform was established as a centralized repository of marketing content for all markets, standardizing and accelerating the use of creative materials and formats on a global scale.

SUSTAINABILITY IN ADVERTISING

The goal of the “Packaging Everyone Loves” campaign was to continue communicating that Podravka is a responsible company that cares about sustainability and the environment. This campaign was the first in which the Carbon Footprint was systematically monitored and optimized across all channels, **achieving a 65% reduction in Carbon Score in programmatic advertising from the beginning to the end of the campaign.**



AWARDS and Recognitions

The awards received are the result of investments in production, safety and consumer satisfaction, and further confirm our commitment to excellence. They reflect the strong position of the Podravka Group's high-quality products not only in Croatia, but also across the region and globally, and serve as additional motivation for all future plans and achievements.

NUMEROUS AWARDS WON AGAIN AT THE DANI KOMUNIKACIJA FESTIVAL

Dani Komunikacija is the leading national festival of creativity and market communications in Croatia, bringing together global and domestic leaders from the fields of communications, digital industries, and creative sectors, and recognizing the best marketing campaigns. In 2025, Podravka earned a significant number of awards for its campaigns. The campaign **Everything Tastes Better with Vegeta** won the Gold **Effie Award** for the most effective campaign in the Food category, while in the same category the **Silver Effie Awards** were received by the campaigns **Unmistakably Fantastic, Juhuuu for Podravka Soup, and Home Ingredients in the Leading Role.**

The IdejaX Award recognizes creative, original, and innovative campaigns, and several Podravka campaigns received this honor. The campaign **Dolcela – Only the Appearance Cannot Be Guaranteed** won **Gold in the OOH Advertising category, Silver in Food, and Bronze in Best TV Spot & Film.** The **Vegeta** campaign **Cooking Is Amazing** won **Silver in Best TV Spot & Film**, while the campaign **Vegeta Ring** won **Silver in Best Digital – Social Media.** Another Vegeta campaign, **Vegeta BIO – Everything Tastes Better with Vegeta**, received **Silver in the Best Packaging – Small Edition category.**

At the Dani Komunikacija festival, **the Advertiser of the Year** award is also presented, and in 2025 this prestigious title was awarded to **Podravka.**



COMMUNICATION CAMPAIGN AWARDED PRESTIGIOUS REGIONAL RECOGNITION

This year, the **prestigious regional the! award**, presented by the Hrvatska udruga za odnose s javnošću (Croatian Public Relations Association), **was once again awarded** in recognition of the best communication projects in the region.

The award was granted **for the communication of the largest investment cycle in the company's history**, valued at nearly EUR 250 million. As part of this cycle, working conditions were improved, production capacities were modernised, and a new logistics and distribution centre and Pasta Factory were constructed.

The objective of the project was to communicate the scale of the investment in a transparent, consistent and clear manner, to highlight the importance of modernisation, and to reaffirm that each investment is driven by a long-term vision of sustainable growth and development.



RECOGNITION OF PODRAVKA'S EXCELLENCE IN INVESTOR RELATIONS AND CORPORATE GOVERNANCE

In 2025, Podravka received two significant awards in the capital markets, further confirming its dedication to transparent and responsible business practices.

At the annual awards ceremony of the Zagreb Stock Exchange, Podravka received the **First Prize for Investor Relations**, recognizing the company's systematic and professional approach to communicating with the investor community and developing high-quality, long-term relationships with shareholders.

Additionally, at the conference "IPO as an Opportunity for Long-Term Owners and Growth through Capital Markets" organized by HANFA, Podravka was awarded in the category of Leading Market Companies for its 2024 Annual Corporate Governance Report.

These recognitions highlight Podravka's high standards in corporate governance, transparency, and open communication with all stakeholders, as well as the company's continuous improvement of practices in investor relations and capital market reporting.



VEGETA RECOGNIZED AS ONE OF THE BEST BRANDS IN GERMANY

Vegeta was recognized as a **Top-Marke 2025** – one of the most prestigious awards for brands **in Germany**, granted by the specialized portal Lebensmittel Zeitung and based on an independent consumer behavior study conducted by YouGov CP Germany GmbH. Out of more than five thousand brands, Vegeta achieved the leading position in the seasoning category. The Top-Marke status is awarded to brands that demonstrate the best sales performance and enjoy a high level of consumer loyalty, confirming the brand's strength in a highly competitive environment. This recognition further reinforces Vegeta's relevance and positioning in one of Europe's key markets.



MULTIPLE AWARDS FOR VEGETA IN BOSNIA AND HERZEGOVINA

The **Vegeta** marketing campaign **Cooking Is Amazing** won the award for **Rebranding Campaign of the Year at the 12th Sarajevo Marketing Summit in the Bosnian market**. This award is granted by the Summit's expert panel and is not open for independent application.

The same campaign also received numerous awards at the **No Limit BiH Festival** in Bosnia and Herzegovina. No Limit is a festival of creative communications that brings together media and creative agencies, media outlets, and advertisers. **The Cooking Is Amazing campaign** won Gold in the OOH Advertising category, Silver in the Creative Use of Media and Adriatic Import categories, and Bronze in the Event category (in collaboration with the portal Bonjour.ba) as well as in Digital – Social Media and Influencers.



VEGETA RANKED #1 IN AUSTRALIA

Vegeta also claimed the title of **the number 1 stock powder brand in Australia** (Circana grocery sales Australia, latest MAT as of 12.10.25), holding a 44.6% value share and a 56.3% volume share of the market.



THREE PODRAVKA PRODUCTS HONORED WITH STA AWARDS

The **Superior Taste Award** is an annual accolade for any consumer food or beverage product. Products are blindly tested in Brussels by a panel of professional chefs and sommeliers, who evaluate them based on first impression, appearance, aroma, taste, texture (for food), or final sensation (for beverages). The jury consists of over 200 professional taste experts, members of the world's most prestigious association, Chef & Sommelier. Products that achieve a global score above 70% are granted the Superior Taste Award.

In 2025, **three products from the Podravka portfolio received Superior Taste Award** distinctions. The highest honors were awarded to O'Plant Fruit Muesli, which received three stars. O'Plant Immuno Fruit & Grain Snack earned two stars, while Podravka Beef Goulash was awarded one STA star.

Two products from the Žito portfolio were also recognized – **Cheese Pastry** and **Lino Lada Mini Donut**. These awards confirm the exceptional sensory qualities, taste excellence, and competitiveness of our products on international markets.



PASSATA AND ZLATO POLJE RICE RECOGNIZED AMONG THE BEST PRODUCTS BY MOMS IN SLOVENIA

Podravka Passata and Zlato Polje St. Andrea Rice received the **Chosen by Moms label** in the Slovenian market. This award is given by consumers—mothers—for products that stand out in quality and usability in family kitchens. The label is based on the first and unique survey of Slovenian mothers' satisfaction with products and services on the market, involving one thousand mothers. Their opinions are key, as they often make household purchasing decisions and thus influence the quality of their families' nutrition.



PODRAVKA RECEIVES “CHOSEN PRODUCT OF THE YEAR” IN THREE CATEGORIES, ONE AWARD IN SLOVENIA

Consumers once again had the opportunity to share their opinions and satisfaction with retail products and services through the now-traditional **Chosen Product of the Year initiative**. This global survey has been present on the Croatian market since 2016 and is conducted in over 45 countries worldwide. This year, Podravka celebrated wins in three categories: **Vegeta Fine Blend in the Universal Meal Additives category, O’Plant Muesli in the Breakfast Cereals category, and O’Plant BIO Fruit & Cereal Snack in the Healthy Snack category**. The survey was conducted in January 2025 by Treetz, under methodological supervision by Deloitte, on a nationally representative sample of Croatian consumers.

In Slovenia, the title Chosen Product of the Year 2025 was awarded to Podravka’s O’Plant Muesli line. This prestigious title is given to products that Slovenian consumers have rated as the best in their category through a public survey. The main evaluation criteria include innovativeness, attractiveness, and purchase intent (or recommendation). The survey includes products and services introduced to the Slovenian market in the past 24 months and, according to an expert panel, demonstrates novelty, innovation, quality, consumer appeal, and effectiveness.



MAESTRO SPICE BLEND FOR SLOVENIAN DISHES SWEEPS THE COMPETITION

The **Maestro Spice Blend for Slovenian dishes** had an exceptional year in terms of awards, earning recognition at several festivals and competitions. At the **Slovenian Advertising Festival (SOF)**, the country's leading festival of creativity and advertising that evaluates the best communication strategies and innovative solutions, the product won two silver awards in the categories Brand Management and Innovative Solutions.

At the **Somoborac** Festival in Croatia, the campaign for this product secured second place in the SoMo Tech category, highlighting Podravka's strength in digital innovation. The recognition for technological advancement and creativity positions Podravka among the leading creators of contemporary marketing solutions. With the Maestro brand, trends that inspire the digital future continue to be introduced.

At the **DiggIt** Festival, the project won the Gold Award in the category Special Digital Projects as well as the Grand Award for an exceptionally creative and effective digital campaign. The project was recognized as one of the best in its category, confirming the highest quality, creativity, and execution efficiency. This award underscores the campaign's standout innovation and results in comparison to competitors.

At the international **KIAF** Festival, the project received two bronze awards, affirming its creativity and innovation on a global scale. This recognition demonstrates that the ideas and execution meet the best international advertising standards. Podravka, with the Maestro brand, sets new benchmarks in connecting tradition with contemporary communication trends.

Finally, at the renowned Slovenian competition **WEBSI**, which honors the best digital projects and web solutions, the project won two awards. The bronze award confirmed quality and user experience, while the silver award highlighted the project's innovation and advanced approach.



VEGETA RECOGNIZED AS SUPERBRAND IN SLOVENIA, PODRAVKA IN SLOVAKIA

The title **Superbrands Slovenia 2025** was awarded to **Vegeta**, a globally recognized brand and indispensable kitchen ally worldwide. The award highlights Vegeta's outstanding strength, recognition, and consumer trust in the Slovenian market. The Superbrands Slovenia 2025 title confirms that Vegeta is not just a spice, but a symbol of trust, innovation, and culinary excellence.

In Slovakia, the Superbrands award was received by the Podravka brand.



VEGETA BIO WINS SILVER AT PENTAWARDS

At the international **Pentawards competition**, **Vegeta BIO** received a **silver award** in the category Brand Identity & Connecting Packaging – Design with Purpose. Pentawards is one of the most prestigious global competitions dedicated to packaging design and brand identity. Each year, it brings together experts and jury members from leading global agencies and brands, awarding entries for innovation, functionality, and aesthetic value. This year, the award recognized the limited-edition Vegeta BIO created to mark the brand's 65th anniversary.



LINO LADA REMAINS THE #1 SPREAD IN CROATIA

Lino Lada continues to hold the **#1 position among spreads** in Croatia, as confirmed by Nielsen research in the chocolate spreads category for the 12-month period ending May 2025. In a competitive market, Lino Lada has demonstrated the brand's breadth that Croatian consumers recognize, appreciate, and purchase. The expansion of the Lino Lada range to five flavours has contributed to this success, allowing everyone to find their favorite taste. Additionally, the variety of packaging formats offers great convenience, making Lino Lada the go-to choice for any occasion. The brand's leading position has also been strengthened by the collaboration with Luka Modrić as brand ambassador, further creating a positive connection between Lino Lada and consumers. As one of the world's most renowned athletes, Luka Modrić's football moves and public appearances attract great attention and bring moments of joy and excitement. These are the same emotions associated with Lino Lada, making the partnership highly successful and reinforcing Lino Lada's #1 market position in Croatia.



PODRAVKA PRODUCTS WIN PRESTIGIOUS AWARDS IN POLAND

In the Polish market, Podravka products received several notable awards in 2025. **Vegeta Universal Seasoning 180 g** and **Podravka Passata** were honored with the **Złoty Paragon 2025** (Golden Receipt 2025) award. Additionally, products from the Vegeta Natur paste seasoning range received recognition in the **Złote Innowacje 2025** (Golden Innovations 2025) competition. At the 28th International Trade Fair in Poland, Vegeta Natur spices were also awarded a gold medal, further confirming the quality and innovation of Podravka products on the Polish market.



VEGETA CAMPAIGN WINS AWARD FOR BEST COMMERCIAL

At the regional **KAKTUS** Integrated Communications Festival held in Belgrade, the Vegeta campaign **“Kuhanje je strašno”** won **gold in the Execution – Production category**. This marked the first time a Podravka campaign received an award for the production of a commercial spot, with the accolade shared in collaboration with the production company Brand Vision from Belgrade.

PODRAVKA WINS GOLDEN BASKET RETAILER OF THE YEAR FOR SECOND CONSECUTIVE YEAR

For the second year in a row, **Podravka** received the prestigious **Golden Basket** award, presented by the specialized retail and FMCG magazine Ja TRGOVAC, in the category Retailer of the Year. This award recognizes retail companies in the fast-moving consumer goods market in Croatia. Eligible retailers must demonstrate progress achieved in the previous year regarding business expansion and improvement, the opening of new jobs within new sales outlets or new sales channels, executed acquisitions, and other indicators of successful strategies and business policies that have contributed to growth.

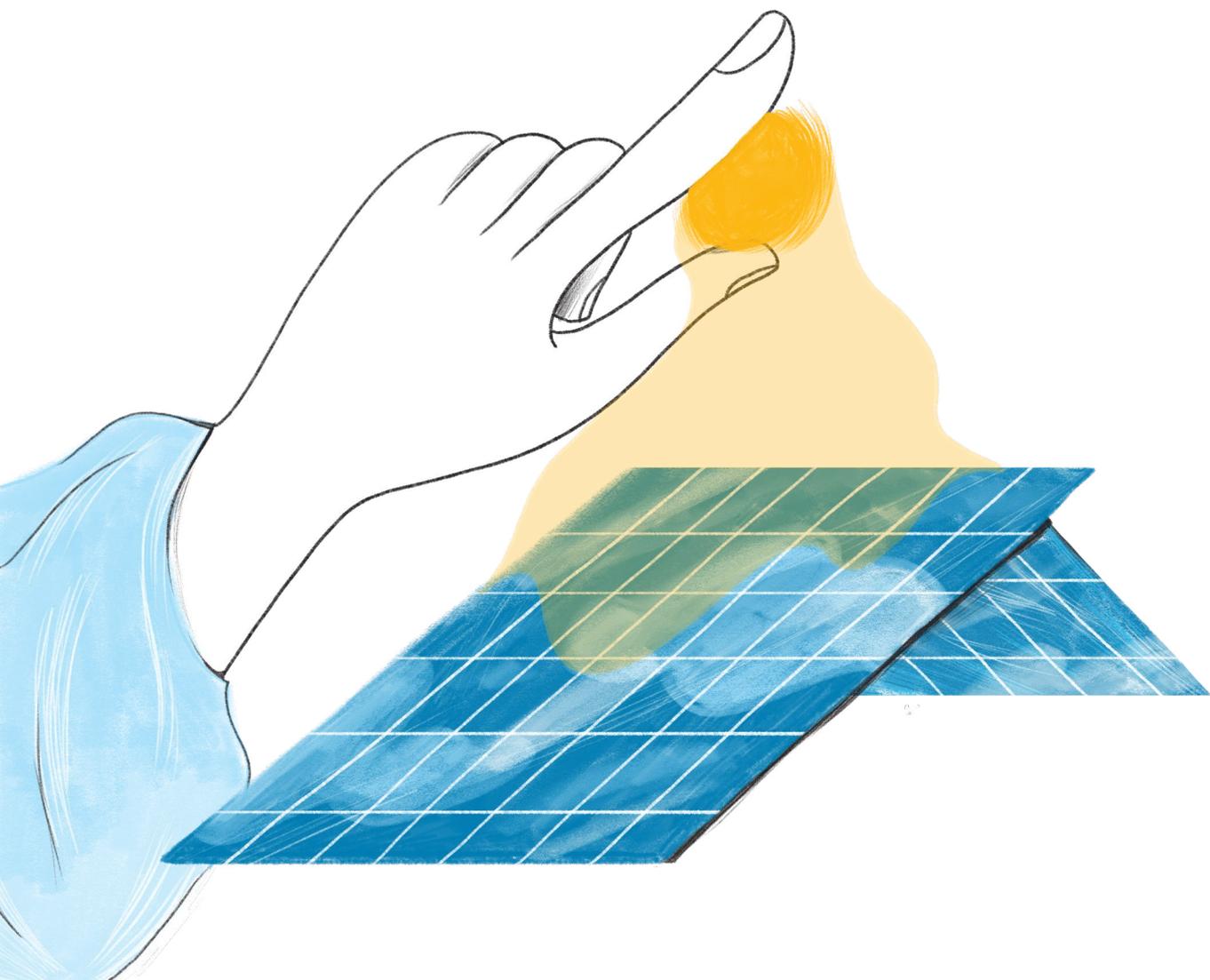


O'PLANT PRODUCTS RECOGNIZED WITHIN THE NATIONAL LIVE HEALTHY INITIATIVE

Products from the O'Plant portfolio, including **O'Plant muesli** and **O'Plant fruit & grain snack**, were recognized within the **national Živjeti zdravo (Live Healthy) initiative**, which highlights products that make a positive contribution to fostering healthier eating habits and promoting a balanced lifestyle.



13 Sustainability Report



The company applies the exemption from the obligation to prepare a non-financial statement in its separate annual reports in accordance with Article 61, paragraph (7) of the Accounting Act, given that the Company's data is included in the consolidated management report prepared in accordance with Articles 32 and 36 of the Accounting Act.



14 Financial Reports



STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

The Management Board is required to prepare the separate financial statements for each financial year which give a true and fair view of the financial position of the Company, and of the results of its operations and its cash flows, in accordance with applicable accounting standards, and is responsible for maintaining proper accounting records to enable the preparation of such financial statements at any time. It has a general responsibility for taking such steps as are reasonably available to it to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Management Board is responsible for selecting suitable accounting policies to conform with applicable accounting standards and then apply them consistently; make judgements and estimates that are reasonable and prudent; and prepare the separate financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business. After making enquiries, the Management Board has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Management Board continues to adopt the going concern basis in preparing the separate financial statements.

The Management Board is also responsible for the preparation of the Annual report and the Statement on implementation of the corporate governance code in accordance with the Croatian Accounting Act. The Annual report and the Statement on implementation of corporate governance code are authorised and signed by the Management Board. The Management Board is responsible for the submission to the Supervisory Board of annual financial statements for the Company and the Group, following which the Supervisory Board is required to approve the annual financial statements for submission to the General Assembly of Shareholders for adoption.

The annual financial statements for the Group (the Company and its subsidiaries) are published separately and issued simultaneously with the separate financial statements.

Martina Dalić

President of the Management Board



Davor Doko

Member of the Management Board



Ljiljana Šapina

Member of the Management Board



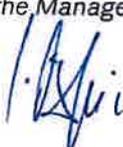
Milan Tadić

Member of the Management Board



Ivan Ostojić

Member of the Management Board



Podravka
PREHRAMBENA INDUSTRIJA D.D.
KOPRIVNICA 173

Podravka d.d.
Ante Starčevića 32
48 000 Koprivnica
Republic of Croatia

Koprivnica, 27 March 2026



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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Podravka d.d.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Podravka d.d. (the Company), which comprise the statement of financial position as at 31 December 2025, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board of Accountants' (IESBA) International Code of Ethics for Professional Accountants, including International Independence Standards (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in Republic of Croatia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matters is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



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Key Audit Matter	How we addressed Key Audit Matter
<p>Impairment of investments in subsidiaries and related loans</p> <p>Impairments of the Company's investments in subsidiaries and related loans are disclosed in Note 10 Other expenses. In addition, Note 20 Investments in subsidiaries and Note 36 Related party transactions disclose the underlying assets in the financial statements and a description of the accounting policy and key judgements and estimates are included in Note 3 Material accounting policy information and Note 6 Key accounting judgements and estimates, respectively.</p> <p>Management annually performs impairment tests for investments in subsidiaries and related loans where indicators of impairment exists. For investments identified as such, management assesses potential impairment loss by comparing the carrying amount with the recoverable amount. Recoverable amounts are generally measured by using appropriate valuation techniques, such as present value techniques based on management's view of variables and market conditions, the timing of future operating expenditure, and the most appropriate discount and long term growth rates.</p> <p>Due to complexity and judgement used in the assessment of impairment indicators, and the application of valuation techniques, impairment of Company's investments in subsidiaries and related loans is considered a key audit matter.</p>	<p>Audit procedures included understanding of the investment impairment process and walk through of controls implemented within. We examined the methodology used by management to assess the carrying value of respective investment in subsidiaries and related loans to determine its compliance with IFRS and consistency of application.</p> <p>For the investments where impairment indicators were not identified by the Company, we evaluated the management's impairment indicators assessment by considering factors such as insufficient net assets, declining financial performance, or existence of any overdue loans and receivables.</p> <p>We evaluated the assumptions used in the current year assessment of impairment indicators and tested whether these assumptions are in line with the results achieved in the current year as well as current development in the industry and the Company's expectations for the key inputs.</p> <p>In respect of impairment tests performed by management, we evaluated the subsidiaries' future cash flow forecasts and the process by which they were prepared. We compared the budget inputs in the models to the approved budgets and forecast inputs in the models to management plans.</p> <p>We compared current year actual results with the figures included in the prior year forecasts to evaluate assumptions used. We also compared management's key assumption for long-term growth rate by comparing it to historical growth results and market data.</p> <p>We performed audit procedures on the mathematical integrity of the impairment models and sensitivity analysis and tested the appropriateness of discount rates used in the calculation with the assistance of the specialists. We also assessed the completeness of the impairment charges by comparing calculated impairment loss with accounting records.</p> <p>We also assessed on the adequacy of the relevant disclosures in the financial statements and if these are in line with the requirements of the IFRS.</p>



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Key Audit Matter	How we addressed Key Audit Matter
<p>Recognition of revenue: valuation of customer discounts, incentives and rebates</p> <p>As indicated in Note 3 Material accounting policy information and Note 8 Sales revenue to the financial statements, the Company recognizes revenue net of volume rebates, trade discounts, returns, listing fees and various promotional and marketing activities that are integral part of contracts with customers. Revenue measurement and presentation therefore involves estimates related to such agreements or actions.</p> <p>At the reporting date, amounts for discounts, incentives and rebates that have been incurred and not yet paid by the customers are estimated and accrued. Due to the variety of contractual terms across the markets, management is required to monitor a large number of individual customer arrangements in order to estimate the discounts, incentives and rebates amounts at the reporting date. This is considered complex and includes risk of incorrect inclusion or non-inclusion of discounts, incentives and rebates in the current period and year-end accruals, or incorrect calculation of these amounts recorded as at the reporting date.</p> <p>Due to the above mentioned, measurement and presentation of these costs is considered a key audit matter due to the judgements required and the number of unique customer arrangements they relate to.</p>	<p>Our audit procedures included understanding of the revenue recognition process including discounts, incentives and rebates recognition and assessing compliance with the policies in terms of applicable accounting standards. We walked through and tested the operation effectiveness of the controls over revenue recognition process.</p> <p>Based on a sample, we assessed revenue transactions, taking place at either side of the balance sheet date as well as credit notes issued after the reporting date to evaluate whether that revenue was recognised in the correct period.</p> <p>We also developed an expectation of the current year sales revenue balance considering historical revenue and discounts, incentives and rebates information, compared it to the actual sales revenues and examined unexpected differences.</p> <p>On a sample of key customers, we inspected respective contractual terms and recalculated the amount of discounts, incentives and rebates. Where our recalculation based on contractual terms differed from management records, we obtained support for the differences to vouch their validity.</p> <p>We obtained customer confirmations of amounts outstanding at the reporting date for a sample of customers and gained understanding of any significant differences between customer confirmations received and the Company's accounting records.</p> <p>We also assessed on the adequacy of the relevant disclosures in the financial statements and if these are in line with the requirements of the IFRS.</p>



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Other information

Management is responsible for the other information. Other information comprises information included in the Annual Report, but does not include financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

With respect to the Management Report and Corporate Governance Report, we also performed procedures required by the Accounting Act. Those procedures include considering whether the Management Report is prepared in accordance with the requirements of Article 24 of the Accounting Act and whether the Corporate Governance Report includes the information specified in Article 25 of the Accounting Act.

Based on the procedures undertaken, to the extent we are able to assess it, we report that:

1. the information given in the enclosed Management Report and Corporate Governance Report is consistent, in all material respects, with the enclosed financial statements;
2. the enclosed Management Report is prepared in accordance with requirements of Article 24 of the Accounting Act; and
3. the enclosed Corporate Governance Report includes the information specified in Article 25 of the Accounting Act.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit of financial statements, we are also required to report if we have identified material misstatements in the other information. We have nothing to report in this respect.

Responsibilities of management and Audit Committee for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Audit Committee is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



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Report on Other Legal and Regulatory Requirements

In compliance with Article 10(2) of Regulation (EU) No. 537/2014 of the European Parliament and the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of ISAs:

Appointment of Auditor and Period of Engagement

Ernst & Young d.o.o. was initially appointed as auditors of the Company on 18 June 2019. Our appointment has been renewed annually by General Assembly of Shareholders, with the most recent reappointment on 10 July 2025, representing a total period of uninterrupted engagement appointment of 7 years.

Grant Thornton revizija d.o.o. was initially appointed as auditors of the Company on 17 May 2023. Our appointment has been renewed annually by General Assembly of Shareholders, with the most recent reappointment on 10 July 2025, representing a total period of uninterrupted engagement appointment of 3 years.

Consistence with Additional Report to Audit Committee

We confirm that our audit opinion on the financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on 27 March 2026 in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council.

Provision of Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided by us to the Company and its controlled undertakings within the European Union. In addition, there are no other non-audit services which were provided by us to the Company and its controlled undertakings and which have not been disclosed in the financial statements.

Report based on Delegated Regulation (EU) 2018/815 on supplementing Directive 2004/109/EZ of European parliament and Council related to regulatory technical standard for specification of single electronic reporting format of reporting

Independent report on the compliance of financial statements prepared pursuant to Article 462 (5) of the Capital Market Act (Official Gazette 65/18, 17/20,83/21 and 151/22) applying the requirements of the Delegated Regulation (EU) 2018 / 815 on establishing of single electronic reporting format for issuers (the ESEF Regulation).

We have conducted a reasonable assurance engagement on whether the financial statements, as contained in the attached electronic file PodravkaInc-2025-12-31-1-en, are prepared, for the purposes of public disclosure pursuant to Article 462, paragraph 5 of the Capital Market Act, in all material respects in accordance with the requirements of the ESEF Regulation.

Responsibilities of the management and Audit Committee

Management is responsible for the preparation of the financial statements in accordance with ESEF Regulation. Furthermore, management is responsible for maintaining an internal control system that reasonably ensures the preparation of financial statements without material non-compliances with ESEF Regulation requirements, whether due to fraud or error.



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Management is also responsible for:

- the public disclosure of financial statements included in the annual report, in XHTML format and
- selecting and using XBRL codes in accordance with ESEF regulation

Audit Committee is responsible for overseeing the preparation of the financial statements in ESEF format as part of the financial reporting process.

Auditor's responsibilities

Our responsibility is to express a conclusion, based on the audit evidence gathered, as to whether the financial statements are free from material non-compliances with the requirements of the ESEF Regulation. We conducted our reasonable assurance engagement in accordance with International Standard for Assurance Engagements ISAE 3000 (revised)- Assurance engagements other than audits or reviews of historical financial information.

Work performed

The nature, timing and extent of the procedures selected depend on the auditor's judgment. Reasonable assurance is a high degree of assurance, however it does not guarantee that the scope of procedures will identify all significant (material) non-compliance with ESEF regulation.

In respect of the subject matter, we have performed the following procedures:

- we read the requirements of the ESEF Regulation,
- we have gained an understanding of the Company's internal controls relevant to the application of the requirements of the ESEF Regulation,
- we have identified and assessed the risks of material non-compliance with the ESEF Regulation due to fraud or error; and
- Based on this, devise and implement procedures to respond to the assessed risks and to obtain reasonable assurance for the purpose of expressing our conclusion.

The aim of our procedures was to assess whether:

- the financial statements, which are included in the annual report, are prepared in the relevant XHTML format,
- the information contained in the financial statements required by the ESEF Regulation is marked and all markings meet the following requirements:
 - the XBRL markup language was used,
 - the basic taxonomy elements listed in the ESEF Regulation with the closest accounting significance have been used, unless an additional taxonomy element has been created in accordance with Annex IV. ESEF Regulation,
 - the labeled elements comply with the common labeling rules under the ESEF Regulation.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our conclusion.



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Conclusion

Based on the procedures performed and evidence gathered, the financial statements presented in ESEF format for the year ended on 31 December 2025, contained in the aforementioned attached electronic file and prepared pursuant to Article 462 paragraph 5 of the Capital Market Act prepared for public disclosure, are prepared in all material respects in line with the requirements of Articles 3, 4 and 6 of the ESEF Regulation. Further to this conclusion, as well as the opinion contained in this independent auditor's report related to accompanying financial statements and annual report for the year ended 31 December 2025, we do not express any opinion on the information contained in these presentations or on any other information contained in the aforementioned file.

The partners in charge of the audit resulting in this independent auditor's report are Berislav Horvat for Ernst & Young d.o.o. and Vedran Miloš for Grant Thornton revizija d.o.o.



ERNST & YOUNG
d.o.o.
Zagreb, Radnička cesta 50

Berislav Horvat
President of the Management Board and Certified auditor

27 March 2026

Ernst & Young d.o.o.
Radnička cesta 50
10000 Zagreb
Republic of Croatia



Grant Thornton
Grant Thornton revizija d.o.o.
HR - 10000 Zagreb

Vedran Miloš
Director and Certified auditor

27 March 2026

Grant Thornton revizija d.o.o.
Ulica Grada Vukovara 284
10000 Zagreb
Republic of Croatia

SEPARATE STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of EUR)

	<i>Note</i>	2025	2024
Revenue from sales	8	387,580	375,328
Cost of goods sold	11	(269,410)	(259,547)
Gross profit		118,170	115,781
Other income	9	1,850	3,608
General and administrative expenses	11	(30,007)	(28,598)
Selling and distribution costs	11	(36,503)	(33,352)
Marketing expenses	11	(20,257)	(20,532)
Other expenses	10	(763)	(90)
Operating profit		32,490	36,817
Finance income	13	32,934	16,281
Finance expenses	14	(13,102)	(1,811)
Net finance income		19,832	14,470
Profit before tax		52,322	51,287
Income tax	15	(3,114)	1,480
Net profit for the year		49,208	52,767
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Actuarial profit/(loss) - (net of deferred tax)		(146)	(53)
Change in fair value of equity instruments through OCI (net of deferred tax)		-	21
Total other comprehensive income /(loss)		(146)	(32)
Total comprehensive income		49,062	52,735

The accompanying accounting policies and notes form an integral part of these separate financial statements.

SEPARATE STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

(in thousands of EUR)

	<i>Note</i>	31 Dec 2025	31 Dec 2024
ASSETS			
Non-current assets			
Intangible assets	16	18,547	15,421
Property, plant and equipment	17	208,075	210,361
Right-of-use assets	18	8,592	4,482
Investment property	19	13,500	13,698
Investments in subsidiaries	20	464,802	129,901
Non-current financial assets	21	6,753	146
Deferred tax assets	15	20,303	23,442
Total non-current assets		740,572	397,451
Current assets			
Inventories	22	93,568	79,438
Trade and other receivables	23	73,223	91,805
Financial assets at fair value through profit or loss	24	-	2
Cash and cash equivalents	25	10,454	13,752
Current assets excluding assets classified as held for sale		177,245	184,997
Non-current assets held for sale	26	3,636	3,633
Total current assets		180,881	188,630
Total assets		921,453	586,081
EQUITY AND LIABILITIES			
Shareholders' equity			
Issued capital	27	213,600	213,600
Share premium	27	14,616	16,982
Treasury shares	27	(4,541)	(8,533)
Reserves	28	134,059	134,205
Retained earnings	29	86,222	59,176
Total equity		443,956	415,430
Non-current liabilities			
Borrowings	31	302,978	-
Lease liabilities	18	7,100	3,680
Non-current provisions for employee benefits	32	4,242	4,116
Other non-current provisions	32	713	1,745
Total non-current liabilities		315,033	9,541
Current liabilities			
Trade and other payables	33	61,097	64,279
Financial liabilities at fair value through profit or loss	30	-	30
Borrowings	31	96,086	91,069
Lease liabilities	18	1,799	991
Current provisions for employee benefits	32	3,462	4,721
Other current provisions	32	20	20
Total current liabilities		162,464	161,110
Total liabilities		477,497	170,651
Total liabilities and shareholders' equity		921,453	586,081

The accompanying accounting policies and notes form an integral part of these separate financial statements.

SEPARATE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>(in thousands of EUR)</i>	<i>Note</i>	Issued capital	Share premium	Treasury shares	Other reserves	Retained earnings	Total
As at 1 January 2024		213,600	17,179	(6,929)	109,621	53,365	386,836
<i>Comprehensive income</i>							
Profit for the year		-	-	-	-	52,767	52,767
Actuarial losses (net of deferred tax)		-	-	-	(53)	-	(53)
Change in fair value of equity instruments through OCI (net of deferred tax)		-	-	-	21	-	21
Other comprehensive income/(loss)		-	-	-	(32)	-	(32)
Total comprehensive income		-	-	-	(32)	52,767	52,735
<i>Transactions with owners recognised directly in equity</i>							
Allocation from retained earnings	28	-	-	-	24,616	(24,616)	-
Share-based payment		-	(964)	1,581	-	139	756
Fair value of share-based payment transactions	35	-	767	-	-	-	767
Purchase of treasury shares	27	-	-	(3,185)	-	-	(3,185)
Dividend declared		-	-	-	-	(22,479)	(22,479)
Total transactions with owners recognised directly in equity		-	(197)	(1,604)	24,616	(46,956)	(24,141)
As at 31 December 2024		213,600	16,982	(8,533)	134,205	59,176	415,430
<i>Comprehensive income</i>							
Profit for the year		-	-	-	-	49,208	49,208
Actuarial losses (net of deferred tax)		-	-	-	(146)	-	(146)
Other comprehensive income/(loss)		-	-	-	(146)	-	(146)
Total comprehensive income		-	-	-	(146)	49,208	49,062
<i>Transactions with owners recognised directly in equity</i>							
Share-based payment		-	(2,788)	4,852	-	416	2,480
Fair value of share-based payment transactions	35	-	422	-	-	-	422
Purchase of treasury shares	27	-	-	(860)	-	-	(860)
Dividend declared		-	-	-	-	(22,578)	(22,578)
Total transactions with owners recognised directly in equity		-	(2,366)	3,992	-	(22,162)	(20,536)
As at 31 December 2025		213,600	14,616	(4,541)	134,059	86,222	443,956

The accompanying accounting policies and notes form an integral part of these separate financial statements.

SEPARATE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

(in thousands of EUR)

	<i>Note</i>	2025	2024
Profit before tax		52,322	51,287
Depreciation and amortization	11	18,892	16,214
Reversal of impairment of non-current financial assets	9	-	(1,970)
Impairment/(reversal of impairment) of loans given and interest	9, 10	334	(249)
Reversal of impairment of assets held for sale	9	-	(4)
Remeasurement of financial assets and liabilities at FVTPL	13, 14	(28)	78
Dividend income etc.	13	(31,769)	(13,896)
Share-based payment transactions	35	422	767
Gain on disposal of non-current assets and right-of-use assets	9	(323)	(75)
Impairment/(reversal of impairment) of trade and other receivables		1,077	(155)
(Decrease)/increase in provisions		(2,343)	850
Gain on write-off of liabilities	9	-	(790)
Change in fair value of financial assets through OCI	10	-	52
Interest income	13	(1,047)	(2,384)
Interest expense	14	13,102	1,687
Foreign exchange differences		-	(4)
Total adjustments		(1,683)	121
Changes in working capital:			
Increase in inventories		(14,131)	(11,765)
Decrease in receivables		15,233	246
Decrease in payables		(5,177)	(1,243)
Cash flows from operating activities		46,564	38,646
Income tax paid		(246)	(176)
Interest and fees paid		(10,836)	(3,051)
Net cash from operating activities		35,482	35,419
Cash flows from investing activities			
Increase of investments in subsidiaries		(284,901)	(85)
Proceeds from financial instruments		-	6,801
Purchase of property, plant, equipment and intangibles		(18,250)	(52,165)
Proceeds from sale of property, plant, equipment and intangibles		409	402
Deposits given		(5)	(15,092)
Loans given		(19,037)	(3,066)
Proceeds from loans given		14,103	3,145
Interest received		552	2,034
Dividends received		19,569	12,896
Net cash from investing activities		(287,560)	(45,130)
Cash flows from financing activities			
Proceeds from borrowings		457,893	51,667
Repayment of borrowings		(186,900)	(18,272)
Purchase of treasury shares	27	(860)	(3,185)
Sale of treasury shares		2,784	854
Repayment of lease liabilities		(1,692)	(1,952)
Dividend paid		(22,445)	(22,347)
Net cash from financing activities		248,780	6,765
Net (decrease)/increase in cash and cash equivalents		(3,298)	(2,946)
Cash and cash equivalents at beginning of year		13,752	16,698
Cash and cash equivalents at the end of year	25	10,454	13,752

The accompanying accounting policies and notes form an integral part of these separate financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 1 – GENERAL INFORMATION

History and incorporation

Podravka prehrambena industrija d.d., Koprivnica ('the Company'), is incorporated in the Republic of Croatia. In 1934, the brothers Wolf opened in Koprivnica a fruit processing unit, the predecessor of the Company. Today, the Company is one of the leading companies in industry operating in the area of South-Eastern, Central and Eastern Europe. The principal activity of the Company comprises production of a wide range of foodstuffs. Podravka d.d. was established as a joint stock company under entity's registration number 010006549 and personal identification number 18928523252.

The Company is headquartered in Koprivnica, Croatia, Ante Starčevića 32. The main location of the Company's operations is Koprivnica, the Republic of Croatia.

The Company's shares were listed on the official market of the Zagreb Stock Exchange until 27 December 2018, since when they have been listed on the Prime Market of the Zagreb Stock Exchange. The shareholder structure is shown in note 27.

Podravka d.d. is the ultimate parent company of the Group.

During 2025, there were no changes in the Company's name or other identification of the reported entity.

General Assembly

The General Assembly of the Company consists of the shareholders of Podravka d.d.

Supervisory Board:

Members of the Supervisory Board in 2025:

President	Dubravko Štimac	(20 Oct. 2025 to 19 Oct. 2029)
President	Damir Grbavac	(01 July 2022 to 19 Oct. 2025)
Deputy President	Luka Burilović	(21 Feb. 2017 to 07 Sept. 2026)
Member	Ante Jelčić	(17 May 2023 to 19 Oct. 2025)
Member	Ksenija Horvat	(01 July 2015 to 30 June 2027)
Member	Damir Felak	(08 Sept. 2022 to 07 Sept. 2026)
Member	Petar Miladin	(08 Sept. 2010 to 07 Sept. 2026)
Member	Damir Čukman	(01 July 2023 to 30 June 2027)
Member	Krunoslav Vitelj	(08 Sept. 2018 to 07 Sept. 2026)
Member	Darko Prpić	(01 July 2023 to 30 June 2027)
Member	Damir Grbavac	(20 Oct. 2025 to 30 June 2026)

Management Board:

President	Martina Dalić	(04 Feb. 2021 to 23 Feb. 2027)
Member	Davor Doko	(01 May 2017 to 23 Feb. 2027)
Member	Ljiljana Šapina	(24 Feb. 2017 to 23 Feb. 2027)
Member	Milan Tadić	(24 Feb. 2022 to 23 Feb. 2027)
Member	Ivan Ostojić	(01 July 2022 to 23 Feb. 2027)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 2 – BASIS OF PREPARATION

(i) *Statement of compliance*

The separate financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (“EU IFRS”).

These financial statements represent those of the Company only. The consolidated financial statements of the Company and its subsidiaries (“the Group”), which the Company is also required to prepare in accordance with EU IFRS and Croatian law, are published separately and issued simultaneously with these separate financial statements.

The Financial statements are available on the Company’s website.

These financial statements were authorised for issue by the Management Board on 27 March 2026.

(ii) *Basis of measurement*

The financial statements of the Company have been prepared on the historical cost basis, except where stated otherwise (see note 7).

(iii) *Functional and presentation currency*

The items included in the Company's financial statements are expressed in the currency of the primary economic environment in which the Company operates (functional currency EUR), rounded to the nearest thousand.

(iv) *Gross profit*

Gross profit is the difference between the total revenues generated from the sale of products and services and the costs contained in the products sold.

(v) *Operating profit*

Operating profit is gross profit increased by other income and reduced by sales, distribution, marketing, general, administrative, research and development expenses and other expenses.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies adopted in the preparation of these separate financial statements are set out below. These policies have been consistently applied to all the years presented in these financial statements.

3.1 Investments in subsidiaries

Investments in subsidiaries are accounted for initially at cost and subsequently at cost less impairment losses. Investments in subsidiaries are tested annually for impairment (note 6) for investments in subsidiaries for which indicators of impairment have been identified.

3.2 Revenue recognition

Revenue is recognised, net of value-added tax, volume rebates, trade discounts, returns, listing fees and various promotional and marketing activities that are an integral part of contracts with customers.

In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration and consideration payable to the customer.

Company's sales contracts generally comprise of only one performance obligation. As such, the Company does not disclose information about the allocation of the transaction price.

(i) *Revenue from sales of products and merchandise – wholesale*

The Company manufactures and sells its own products and goods of third parties (for which the Company is a distributor) in the wholesale market. Revenue is recognised when the Company transfers the promised goods or services to the wholesaler.

Products are sold with volume discounts and customers have a right to return products in the wholesale market in case of defects. Sales are recorded based on the price specific in the sales contracts, net of estimated volume rebates and trade discounts and returns. The volume discounts are assessed based on contracts with customers. No element of financing is deemed present in the sales.

(ii) *Revenue from sales of products and merchandise – retail*

Sales of products and goods sold in retail stores are recognised when the Company sells a product to the customer. Retail sales are usually in cash or by credit card. The Company does not operate any customer loyalty programmes.

(iii) *Revenue from services*

Sales of services, such as private label production, are recognised in the accounting period in which the services are rendered.

(iv) *Finance income*

Finance income comprises interest income on funds invested, changes in the fair value of financial assets at fair value through profit or loss and foreign currency gains. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised when the right to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.3 Leases

The Company leases certain property (including long-term lease of agricultural land), plant and equipment.

The Company elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value in the amount up to EUR 5 thousand (low-value assets). Assessment of asset of a low value starts from the assessment of new assets, regardless of the age of that asset at the time of assessment. If a lessee subleases an asset the head lease does not qualify as a lease of a low value asset. In short-term leases and leases of a low value asset, lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

The Company at the commencement date also recognizes lease liabilities at the present value of the minimum future lease payments (discounted value). Interest rate implicit in the lease contract is used for discounting or if that rate cannot be readily determined, the incremental borrowing rate at the commencement date is used.

Lease liabilities are measured at the effective interest rate method and re-measured to include changes due to reassessments (changes in fixed payments, lease terms, discount rates and other similar changes).

In the statement of financial position, right-of-use assets is reported as a separate line under long-term assets, lease liabilities are disclosed as a separate item within long-term and short-term liabilities.

The statement of comprehensive income includes the cost of depreciation of the right-of-use assets and interest expenses on lease liabilities (see note 18).

3.4 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions associated with them and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the separate statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

3.5 Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the General Assembly of the Company's shareholders.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.6 Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

At the separate level, the following segments are internally monitored and reported:

- BU Culinary
- BU Basic Food
- BU Fruit and Vegetables
- BU Meat products
- BU Soups
- BU Cereals, Snacks and Beverages
- BU Creamy spreads and Desserts
- BU Fish
- BU Bakery
- Other sales

The Company identifies business segments on the basis of internal reports about components of the Company that are regularly reviewed by the chief operating decision maker (the Management Board of the Company) in order to allocate resources to the segments and to assess their performance.

Territorial analysis of operations by segment is presented in note 8.

3.7 Taxation

(i) *Income tax*

Current tax is the expected tax liability on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax liability in respect of previous years.

(ii) *Deferred tax assets and liabilities*

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax asset recognised on the basis of tax losses carried forward is recognised in accordance with tax legislation of the country where the Company operates for the period envisaged by the law and is discharged at the expiry of this period if it is not used until then.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.7 Taxation (continued)

(iii) *Investment tax credits*

Investment tax credits are incentives arising from government incentive schemes which enable the Company to reduce its income tax liability or liabilities arising from other specified taxes in future periods, and are linked to the construction or acquisition of certain assets and/or performance of certain activities and/or fulfilment of certain specific conditions prescribed in the relevant regulation for investment incentives by the relevant authorities. Tax investment credits are initially recognized as a deferred tax asset and an income tax benefit in the amount equal to the lower of the maximum authorized credit and the estimated amount of credit that the Company expected it will be able to utilize until the incentive expires. Deferred tax assets recognized as a result of investment tax credits is utilized during the period of the incentive, i.e. until the expiration of the credits (if so specified) in accordance with and subject to the availability of tax obligations in future years against which the credits can be offset.

3.8 Property, plant and equipment

Land and assets under construction are not depreciated. Depreciation of other items of property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	10 to 50 years
Equipment	3 to 30 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined as the difference between the income from the disposal and the asset's carrying amount and are recognised in profit or loss within other income/expenses.

3.9 Investment property

Investment property is carried at historical cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation of buildings is calculated using the straight-line method to allocate the cost over their useful lives generally ranging from 10 to 50 years.

3.10 Intangible assets

(i) *Brands and distribution rights*

Product distribution rights and some brands have a definite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is calculated using the straight-line method to allocate the cost of distribution rights over their useful lives estimated at 3-15 years.

Rights to acquired trademarks and know-how are carried at cost and have an indefinite useful life, since based on an analysis of all of the relevant factors at the reporting date, there is no foreseeable limit to the period of time over which identified rights are expected to generate net cash inflows. Intangible assets with indefinite useful lives are tested annually for impairment and are stated at cost less accumulated impairment loss (note 3.11).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.10 Intangible assets (continued)

(ii) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their useful lives estimated at 5 years.

3.11 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (except for inventories and deferred taxes) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Intangible assets with indefinite useful lives and other intangible assets are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is expensed immediately.

3.12 Inventories

Inventories of raw materials and spare parts are stated at the lower of cost, determined using the weighted average cost method, and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

The cost of work-in-progress and finished goods comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity).

Merchandise is carried at the lower of purchase cost and selling price (less applicable taxes and rebates).

3.13 Trade receivables

Trade receivables are recognised initially at cost which is equal to the fair value at the moment of recognition and subsequently measured at amortised cost using the effective interest method, if significant; if not, at nominal amount less an allowance for impairment.

3.14 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held at call with banks and other short-term highly liquid instruments with original maturities of three months or less. Bank overdrafts are included within current liabilities on the separate statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.15 Share capital

Share capital consists of ordinary shares. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds of those transactions. Any excess of the fair value of the consideration received over the par value of the shares issued is presented in the notes as a share premium.

If the Company purchases its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

3.16 Employee benefits

(i) Pension obligations and post-employment benefits

In the normal course of business through salary payment, the Company makes payments to mandatory pension funds managed by third parties on behalf of its employees as required by law. All contributions made to the mandatory pension funds are recorded as salary expense when incurred. The Company is not obliged to provide any other post-employment benefits with respect to these pension schemes.

(ii) Termination benefits

Termination benefits are recognized when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The Company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

(iii) Regular retirement benefits

Benefits falling due more than 12 months after the reporting date are discounted to their present value based on the calculation performed at each reporting date by an independent actuary, using assumptions regarding the number of staff likely to earn regular retirement benefits, estimated benefit cost and the discount rate which is determined as average expected rate of return on investment in government and corporate bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

(iv) Long-term employee benefits

The Company recognises a liability for long-term employee benefits (jubilee awards) evenly over the period the benefit is earned based on actual years of service. The long-term employee benefit liability is determined annually by an independent actuary, using assumptions regarding the likely number of staff to whom the benefits will be payable, estimated benefit cost and the discount rate which is determined as the average expected rate of return on investment in corporate bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.16 Employee benefits (continued)

(v) Short-term employee benefits

The Company recognises a provision for employee bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

(vi) Share-based payments

The Company operates a remuneration plan in the form of stock options and shares. Certain members of management receive remuneration in the form of share-based payment transactions, whereby employees render services in exchange for equity instruments.

Share-based payments to employees for services rendered that were settled by equity instruments are measured at fair value of the equity instruments at the grant date. The fair value of share-based payments settled by equity is recognized as expenditure over the period of acquiring the conditions, based on estimates relating to equity instruments for which conditions will eventually be vested.

3.17 Financial instruments

A. Financial assets

Trade receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

The structure of the Company's financial assets is simple and primarily relates to trade receivables without a significant financial component, loans given and short-term deposits in banks, while forward contracts are of insignificant amount. This significantly reduces the complexity of the assessment whether the financial assets meet the criterion of 'solely payments of principal and interest'.

B. Financial liabilities

Financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

C. Derivative financial instruments and hedging activities

The Company holds derivative financial instruments to hedge its foreign currency. Derivatives are initially recognised at fair value. Subsequent to initial recognition, derivatives are also measured at fair value, and changes therein are recognised in profit or loss.

During 2025 and 2024, the Company had no transactions related to hedge accounting.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.17 Financial instruments (continued)

D. Impairment of non-derivative financial assets

Recognition of impairment losses

The Company recognises loss allowances for estimated credit losses (ECLs) on:

- financial assets measured at amortised cost;
- debt instruments measured at FVOCI; and
- contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and;
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime expected credit loss (ECLs).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if the receivable is past due for a period longer than the average collection period in the normal course of the Company's operations in the relevant market.

The Company assumes that the credit risk on a financial asset has increased significantly if early warning indicators have been activated in accordance with the Company's policy or contractual terms of the instrument.

The Company considers a financial asset to be fully or partially in default if:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 360 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are estimate of credit losses. Credit losses are measured as the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive. Regular external trade receivables that are not past due and uncollected receivables past due up to 360 days from the maturity date are impaired using the percentage that reflects the expectations of the non-collection of trade receivables (ECL). The percentage of impairment is determined on the basis of the average of the previous three-year period (historical rate) adjusted for the macroeconomic impact. The calculation of the historical rate is adjusted for extraordinary and specific circumstances, if required.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 3 – MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.17 Financial instruments (continued)

D. Impairment of non-derivative financial assets (continued)

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a significant delay of payment by the borrower;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Write-off of financial assets

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company has a policy of writing off the gross carrying amount of a financial asset upon the legal statute of limitation and it generally expects no recovery of the amount written off.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 4 – NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

At the date of authorization of these financial statements the following standards, revisions and interpretations were issued by IASB and endorsed by the EU but not yet effective.

- **Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instrument**, issued on 30 May 2024 (effective date for annual periods beginning on or after 1 January 2026).
- **Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity**, issued on 18 December 2024 (effective date for annual periods beginning on or after 1 January 2026).
- **Annual Improvements to IFRS Accounting Standards – Volume 11**, issued on 18 July 2024 (effective date for annual periods beginning on or after 1 January 2026).

At the date of authorization of these financial statements the following standards, revisions and interpretations were in issue by the International Accounting Standards Board but not yet adopted by the EU:

- **IFRS 18 Presentation and Disclosure in Financial Statements** (issued on 9 April 2024).
- **IFRS 19, including Amendments Subsidiaries without Public Accountability: Disclosures** (issued on 9 May 2024 and on 21 August 2025).
- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency** (issued on 13 November 2025).

The Company does not anticipate that the adoption of these Standards and Interpretations will have a significant impact on the financial statements of the Company.

NOTE 5 – IMPACT OF NEW ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year except for the changes following amended IFRSs which have been adopted by the Company as of 1 January 2025:

- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability**, issued on 15 August 2023 (effective date for annual periods beginning on or after 1 January 2025).

The adoption of these Standards and Interpretations had no significant impact on the financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements in conformity with Financial Reporting Standards as adopted by the European Union (EU IFRS) requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of EU IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in more detail below.

(i) *Deferred tax assets recognition*

The deferred tax asset represents income taxes recoverable through future deductions from taxable profits and is recorded in the statement of financial position. Deferred income tax assets are recorded to the extent that realisation of the related tax benefit is probable. In determining future taxable profits and the amount of tax benefits that are probable in the future, management makes judgments and applies estimation based on previous years taxable profits and expectations of future income that are believed to be reasonable under the existing circumstances (see note 15).

(ii) *Actuarial estimates used in determining obligations for employee benefits*

The cost of defined benefits is determined using actuarial estimates. Actuarial estimates involve assumptions about discount rates, future salary increases and the mortality or fluctuation rates. Due to the long-term nature of those plans, these estimates contain an element of uncertainty (see note 32).

(iii) *Consequence of certain legal actions*

The Company is involved in a number of legal actions which have arisen from the regular course of operations. Management makes estimates of probable outcomes of the legal actions, and the provisions for the Company's obligations arising from these legal actions are recognised on a consistent basis.

The Company recognises a provision in the total expected amount of outflows of economic benefits as a result of the court case, which is generally the claim amount plus penalty interest (if applicable), if it is more likely than not, based on the opinion of management after consultation with legal advisers, that the outcome of the court case will be unfavourable for the Company. The Company does not recognise provisions for court cases or the expected related legal costs and penalty interest (if applicable) in cases where management estimates that an unfavourable outcome of the court case is less likely than a favourable outcome for the Company.

Where indications exist of a possible settlement in relation to a particular court case, a provision is recognised, based on the best estimate of management made in consultation with its legal advisers, in the amount of the expected settlement less any existing amounts already provided for in relation to that particular court case.

Where the Company is a plaintiff in a particular court case, any economic benefits expected to flow to the Company as a result are recognised only when virtually certain which is generally as at the date of inflow of these economic benefits. Provisions for the Company's obligations arising from legal actions are recognised on a consistent basis and estimated on a case-by-case principle.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) Impairment testing for brands

The Company tests brands for impairment on an annual basis in accordance with accounting policy 3.10. For the purposes of impairment testing, brands with indefinite useful lives and brands with finite useful lives have been allocated to cash generating units within reportable segments.

The recoverable amount of cash generating units is determined based on value-in-use calculations or fair value. These calculations use cash flow projections from financial budgets approved by management and cover a period of five years.

Brands

Brands relate to acquired rights of use of logos, trademarks and brand names which the Company allocates to business segments in accordance with internal categorisation of products to which the specific brand relates, whereby the brand value is either allocated entirely to a specific segment or where applicable and where a brand relates to products and categories which relate to several segments, it is allocated based on the share of gross margin of the brand in each of the segments.

The Company annually performs impairment tests in order to assess whether the recoverable amount of brands indicates potential impairment of their carrying amount whereby the primary focus is on brands where the difference between the recoverable amount and the carrying amount indicates a significant sensitivity to changes in key variables used in impairment testing. The calculation of the recoverable amount of brands is based on five-year plans for sales of products and categories which comprise a certain brand and which the Company developed bearing in mind its corporate selling and marketing strategy, trends on relevant markets where the brands are sold (such as estimated movements in gross domestic product, market share of relevant products and categories) and the analysis of its competitors.

Cash flows created from such plans are discounted using the post-tax discount rate which reflects the risk of the underlying asset, and which has been defined for the purposes of the impairment test for brands as the weighted average cost of capital after tax (WACC) for the primary market the brand is sold on and the food industry.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) *Impairment testing for brands (continued)*

Brands (continued)

For the purpose of recoverable amount of brands whose dominant market is the Adria region as at 31 December 2025 the Company applied an income approach – the relief-from-royalty method.

The basis of the relief-from-royalty method is that the value of intangible assets equals the amount that the owner would pay for the licence over the assets if it had not been owned, i.e. the value equals post-tax discounted expenses saved if royalties, i.e. the compensation for the use of trademarks, are not paid.

When calculating the recoverable amount of brands whose dominant market is the Adria region (a total of 4 brands), rates equal to the weighted average cost of capital after tax (WACC) per individual market and the food industry were used, ranging from 5.00% to 7.37% (2024: ranging from 5.05% to 8.09%), while the applied terminal growth rate ranges from 2.30% to 2.85% (2024: a rate from 2.50% to 3.00%).

The recoverable amount of most significant brands resulting from the discounted cash flow method is as follows:

Brands	Book value		Recoverable amount	
	2025	2024	2025	2024
	<i>(in thousands of EUR)</i>			
Brand 1	979	979	1,519	1,853
Brand 2	2,057	2,057	23,275	23,332
Brand 3	2,806	2,806	4,129	3,999
Brand 4	58	58	399	493

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) *Impairment testing for brands (continued)*

Brands (continued)

Valuation technique	Brand	Significant inputs	Value	Sensitivity of the input to fair value
Relief-from-royalty method	Brand 1	Weighted average cost of capital	2025: 5.97% 2024: 5.97%	Increase in weighted average cost of capital by 1,167 basis points (2024: 311) with unchanged terminal growth rate would result in an impairment of EUR 3 thousand (2024: EUR 4 thousand).
		Terminal growth rate	2025: 2.44% 2024: 2.60%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 250 basis points (2024: 396) would result in an impairment of EUR 3 thousand (2024: EUR 3 thousand).
Relief-from-royalty method	Brand 2	Weighted average cost of capital	2025: 7.37% 2024: 8.09%	Increase in weighted average cost of capital by 10,537 basis points (2024: 6,604) with unchanged terminal growth rate would result in an impairment of EUR 3 thousand (2024: EUR 4 thousand).
		Terminal growth rate	2025: 2.85% 2024: 3.00%	Even in case of a significant decrease in the terminal growth rate with unchanged weighted average cost of capital, there will be no impairment of the brand (the same applies to 2024).
Relief-from-royalty method	Brand 3	Weighted average cost of capital	2025: 5.23% 2024: 5.46%	Increase in weighted average cost of capital by 980 basis points (2024: 127) with unchanged terminal growth rate would result in an impairment of EUR 213 (2024: EUR 218).
		Terminal growth rate	2025: 2.35% 2024: 2.55%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 162 basis points (2024: 155) would result in an impairment of EUR 2 thousand (2024: EUR 2 thousand).
Relief-from-royalty method	Brand 4	Weighted average cost of capital	2025: 5.00% 2024: 5.05%	Increase in weighted average cost of capital by 6,318 basis points (2024: 2,177) with unchanged terminal growth rate would result in an impairment of EUR 475 (2024: EUR 309).
		Terminal growth rate	2025: 2.30% 2024: 2.50%	Decrease in terminal growth rate with unchanged weighted average cost of capital by 5,533 basis points (2024: 13,050) would result in an impairment of EUR 568 (2024: EUR 132).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(iv) Impairment testing for brands (continued)

Brands (continued)

During 2025 and 2024, the Company had no impairment losses with respect to brands.

(v) Impairment test for property, plant and equipment, investment property and assets held for sale

The Company annually performs analysis of impairment indicators for property, plant and equipment in order to assess whether their recoverable amount indicates potential impairment of their carrying amount.

For property, plant and equipment held for sale, the Company estimates their recoverable amount upon classification of such assets as held for sale based on an independent expert valuer's estimate of the fair value of these assets less costs to sell and records these assets at the lower of their carrying amount and the recoverable amount. Generally, the Company considers with significant confidence that the recoverable amount of such assets will be realized through sale or disposal in the short term and in cases where there has been a delay in disposal due to circumstances which do not require reclassification of such assets into property, plant and equipment, the Company considers whether there have been significant changes in the circumstances and expectations related to the disposal process which would require re-assessment of their fair value. If a significant change in circumstances has not occurred, but the asset relates to property which is intended to be used until disposal, the Company approximates the possible impairment that could arise from the date of classification of such assets as held for sale up to the reporting date at the level of depreciation that would have been recognised had those assets not been classified as held for sale.

In 2025, the Company had no impairment costs related to intangible assets and equipment (2024: EUR 0).

In 2025 and 2024, the Company had no impairment costs related investment property and assets held for sale.

(vi) Impairment test for investments in subsidiaries

The Company annually performs analysis of impairment indicators for investments in subsidiaries where indications of impairment exist, based on the results of a static analysis of the Company's exposure compared to the net assets of the subsidiary. For investments identified as such, the Company estimates the recoverable amount and compares it with the carrying amount. The calculation of the recoverable amount is generally based on five-year business plans for the respective subsidiaries which the Company developed bearing in mind its corporate selling and marketing strategy, relevant markets trends (such as estimated movements in gross domestic product, market share of relevant products and categories) with respect to the applicable business segment and the analysis of its competitors.

The calculation of the recoverable amount implies a terminal growth rate for cash flows after the projected period of 2.00% for the subsidiary in the Czech Republic (2024: 2.00%).

Cash flows created from such plans are discounted using the post-tax discount rate which reflects the risk of the underlying asset, and which has been defined for the purposes of the impairment test as the weighted average cost of capital after tax for the respective market and the food industry (in case of the subsidiary in the Czech Republic the post-tax discount rate amounts to 6.71% (2024: 6.41%).

The expected rate of average annual revenue growth in the projected five-year period was 4.33% for the company in the Czech Republic (2024: 3.30%).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 6 – KEY ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(vi) *Impairment test for investments in subsidiaries (continued)*

During 2025 and 2024, the Company had no impairment costs related to the shares.

NOTE 7 – DETERMINATION OF FAIR VALUES

The Company has an established control framework with respect to fair value measurement which assumes the overall responsibility of the Management Board and finance department in relation to the monitoring of all significant fair value measurements, consultation with external experts and the responsibility to report, with respect the above, to those charged with corporate governance.

Fair values are measured using information collected from third parties in which case the Management Board and the finance department assess whether the evidence collected from third parties support the conclusion that such valuations meet the requirements of IFRSs, including the level in the fair value hierarchy where such valuations should be classified.

All significant issues related to fair values estimates are reported to the Supervisory Board and the Audit Committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included in level 1, that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - input variables for assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more significant inputs are not based on observable market data, the fair value estimate is included in level 3. In preparing these financial statements, the Company has made the following significant fair value estimates, as further explained in detail in the following notes:

- note 21: Non-current financial assets
- note 24: Financial assets at fair value through profit or loss
- note 26: Non-current assets held for sale
- note 30: Financial liabilities at fair value through profit or loss
- note 35: Share-based payments

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 8 – SALES REVENUE

Sales revenue

	2025	2024
	<i>(in thousands of EUR)</i>	
Revenue from sale of products and merchandise	380,821	370,538
Revenue from services	6,759	4,790
	387,580	375,328

Key customers

Sales to major customers owned or controlled by the same third-party Group represent approximately 11% of the Company's total revenue in 2025 (2024: approximately 11% of the total revenue).

Third-party sales in Croatia account for 52.1% (2024: 56.0%) of the total revenue from external customers, whereas the remaining 47.9% (2024: 44.0%) represent foreign sales.

For management purposes, the Company is organised in business units based on the similarity in the nature of individual product groups and has identified reportable segments in accordance with quantitative thresholds for segment reporting. The reportable segments of the Company are as follows:

- BU Culinary
- BU Basic Food
- BU Fruit and Vegetables
- BU Meat products
- BU Soups
- BU Cereals, Snacks and Beverages
- BU Creamy spreads and Desserts
- BU Fish
- BU Bakery
- Other sales

The reportable segments are part of the internal financial reporting to the Management Board which was identified as the chief operating decision maker. The Management Board reviews the internal reports regularly and assesses the segment performance and uses those reports in making operating decisions.

Segment revenues and results

Set out below is an analysis of the Company's revenue and results by its reportable segments, presented in accordance with IFRS 8 *Operating segments* and a reconciliation of segment profits to profit or loss before tax as presented in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 8 – SALES REVENUE (CONTINUED)

Segment revenues and results (continued)

	Segment revenues	Segment expenses	Segment depreciation	Segment profits/ (loss)
<i>(in thousands of EUR)</i>	2025	2025	2025	2025
BU Culinary	94,026	59,022	1,489	33,515
BU Fruit and Vegetables	57,423	50,864	3,698	2,861
BU Soups	45,110	33,432	1,328	10,350
BU Meat products	44,067	39,171	1,801	3,095
BU Cereals, Snacks and Beverages	42,166	33,372	2,010	6,784
BU Creamy Spreads and Desserts	41,739	34,376	1,837	5,526
BU Basic food	17,734	16,688	1,690	(644)
BU Fish	17,058	15,956	126	976
BU Bakery	3,587	3,365	90	132
Other sales	24,670	17,501	318	6,851
	387,580	303,747	14,387	69,446
Financial income (note 13)				32,934
Other income (note 9)				1,850
Central administration costs				(38,043)
Other expenses (note 10)				(763)
Financial expenses (note 14)				(13,102)
Profit before tax				52,322

	Segment revenues	Segment expenses	Segment depreciation	Segment profits/ (loss)
<i>(in thousands of EUR)</i>	2024	2024	2024	2024
BU Culinary	95,934	60,727	1,308	33,899
BU Fruit and Vegetables	57,183	49,491	3,348	4,344
BU Soups	43,009	30,929	880	11,200
BU Meat products	42,647	38,317	1,632	2,698
BU Cereals, Snacks and Beverages	38,789	29,901	1,721	7,167
BU Creamy Spreads and Desserts	38,119	31,222	1,749	5,148
BU Fish	18,366	17,103	118	1,145
BU Basic food	17,116	17,451	1,152	(1,487)
BU Bakery	2,892	2,773	64	55
Other sales	21,273	16,138	271	4,864
	375,328	294,052	12,243	69,033
Financial income (note 13)				16,281
Other income (note 9)				3,608
Central administration costs				(35,734)
Other expenses (note 10)				(90)
Financial expenses (note 14)				(1,811)
Profit before tax				51,287

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 8 – SALES REVENUE (CONTINUED)

Segment revenues and results (continued)

During 2025, the Company enhanced its methodology for monitoring segment profitability. Accordingly, the data for the comparative period have been updated to reflect changes in the methodology.

BU Culinary comprises the following product groups: Universal seasonings, Special seasonings, Monospices and salts, Bouillons, and Food mixes.

BU Basic Food comprises the following product groups: Podravka flour, Rice, Pasta, Side dishes, and Frozen food.

BU Fruit and Vegetables comprises the following product groups: Condiments, Tomato products, Processed fruit, Vegetables, and Plant-based drinks.

BU Meat products comprises the following product groups: Ready meals, Pates, Dried Meat and Sausage Products, and Other products.

BU Soups comprises the following product groups: Soups, and Instant meals.

BU Cereals, Snack and Beverages comprises the following product groups: Cereals, Baby food, Snack, Tea, and Beverages.

BU Creamy spreads and desserts comprises the following product groups: Creamy spreads, Desserts, and Confectionery.

BU Fish comprises the following product groups: Canned fish, Fish salads, and Fish others.

BU Bakery comprises the following product groups: Bakery products and mill products.

Other sales comprise the following product groups: merchandise and food services.

Business units (BU) comprise own brands, business to business (B2B), private labels and service production.

The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 3. Segment profit represents the profit earned by each segment without allocation of central administration costs, other income, other expenses, finance income, finance expenses, and income tax expense.

The Company does not follow detailed breakdown of balance sheet by segment but only by the two main segments on consolidated level.

Geographical information

The Company operates in five principal geographical areas by which it reports the following sales:

(in thousands of EUR)

	2025	2024
Markets of Croatia and Slovenia	224,532	210,146
Southeastern Europe	75,449	75,527
WE and Overseas	56,680	58,816
Central Europe	26,184	25,749
Eastern Europe	4,735	5,090
	387,580	375,328

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 8 – SALES REVENUE (CONTINUED)

Geographical information (continued)

Below is a more detailed overview of countries by geographical area:

Markets of Croatia and Slovenia	Southeastern Europe	International markets				
		WE and Overseas			Central Europe	Eastern Europe
		Western Europe	Overseas			
Croatia	Bosnia and Herzegovina	Germany	USA	Libya	Poland	Ukraine
Slovenia	North Macedonia	Austria	Canada	Burkina Faso	Czech Rep.	Kazakhstan
	Serbia	Switzerland	Australia	China	Slovakia	Estonia
	Montenegro	France	New Zealand	Japan	Hungary	Lithuania
	Kosovo	Great Britain	Iraq	Israel	Romania	Latvia
	Bulgaria	Italy	United Arab Emir.	Mongolia		Belarus
	Albania	Sweden	Kuwait	Bolivia		Armenia
	Greece	Ireland	Qatar	South Korea		Kyrgyzstan
		Spain	Saudi Arabia	Lebanon		Georgia
		Belgium	Turkey	Senegal		Uzbekistan
		Denmark	Jordan	Morocco		
		Malta	Cyprus	Guinea		
			Egypt			
			Ghana			

NOTE 9 – OTHER INCOMEⁱ

	2025	2024
	<i>(in thousands of EUR)</i>	
Income from reversal of legal provision	1,015	-
Grant income	427	404
Gain on disposal of property, plant, equipment and intangibles (note 16 and 17)	321	72
Interest on trade receivables	85	116
Gain on sale and disposal of right-of-use assets	2	3
Reversal of impairment of financial assets	-	1,970
Write-off of liabilities	-	790
Reversal of impairment of loans given and interest	-	249
Reversal of impairment of non-current assets held for sale	-	4
	1,850	3,608

In 2025, the Company recognised net income of EUR 1,015 thousand (2024: EUR 0 thousand) arising from the reversal of provisions for legal disputes that were resolved in favour of the Company.

In 2024, upon collection of border debt from the Fortenova Group, the Company generated income from reversal of impairment of financial assets in the amount of EUR 1,970 thousand.

Grant income relates to non-refundable government grant for additional costs incurred due to increased energy prices and research and development projects. Interest income relating to trade receivables relates to statutory penalty interests collected by the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 10 – OTHER EXPENSES

	2025	2024
	<i>(in thousands of EUR)</i>	
Foreign exchange differences on trade receivables and payables	423	34
Impairment of loans given and interest	334	-
Interest on trade payables and other interest	6	4
Other	-	52
	763	90

NOTE 11 – EXPENSES BY NATURE

	2025	2024
	<i>(in thousands of EUR)</i>	
Raw material, supplies and energy	168,597	169,620
Staff costs (note 12)	91,036	85,120
Cost of goods sold	45,367	45,716
Depreciation and amortisation	18,892	16,214
Advertising and promotion	11,253	12,571
Services	11,158	10,519
Transport	4,874	4,349
Taxes and contributions independent of operating results	1,853	1,738
Rental costs	1,416	1,692
Daily allowances and other business travel expenses	1,164	1,026
Entertainment	946	949
Telecommunications	511	473
Packaging waste disposal fee	392	386
Professional education	307	406
Bank charges	227	239
Other expenses	893	342
Legal expenses	-	170
Impairment /(reversal of impairment) of trade and other receivables, net	1,077	(155)
Changes in value of inventory	(3,786)	(9,346)
Total cost of goods sold, selling and distribution expenses, marketing expenses and general and administrative costs	356,177	342,029

Costs of services include audit fees. Fees of the Company's statutory auditors amounted to EUR 337 thousand for the audit of annual financial statements (2024: EUR 274 thousand). Related audit services and other permitted services provided by the statutory auditor Ernst & Young d.o.o. amounted to EUR 151 thousand and relate to the audit conclusion on the procedures for checking the Sustainability Report and procedures for checking Report on the receipts of the Management Board and the Supervisory Board (2024: EUR 147 thousand related to the procedures for checking Sustainability Report, Report on the receipts of the Management Board and the Supervisory Board as well as the sustainability advisory services for prior periods). Other members of the Ernst & Young network did not provide other permitted services in 2025 (2024: due diligence services in the amount of EUR 283 thousand).

Depreciation and amortisation include EUR 439 thousand of government grants for co-financing of assets (2024: EUR 380 thousand).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 11 – EXPENSES BY NATURE (CONTINUED)

The following table presents expenses by nature contained in cost of goods sold:

	2025	2024
	<i>(in thousands of EUR)</i>	
Raw material and changes in inventory	161,279	157,302
Staff costs	45,413	41,743
Cost of goods sold	45,367	45,716
Depreciation and amortisation	9,879	8,756
Production services	3,788	3,388
Taxes and contributions independent of operating results	920	931
Other expenses (transport, rent, education etc.)	2,764	1,711
	269,410	259,547

The Company reports gross profit as revenue from the sale of products less cost of goods sold as shown in the specification above.

Depreciation and amortisation costs allocated to each function are as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Cost of goods sold	9,879	8,756
General and administrative expenses	4,663	4,111
Selling, logistics and distribution costs	3,934	2,977
Marketing expenses	416	370
	18,892	16,214

Staff costs allocated to each function are as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Cost of goods sold	45,413	41,742
Selling, logistics and distribution costs	20,660	19,768
General and administrative expenses	19,033	18,180
Marketing expenses	5,930	5,430
	91,036	85,120

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 12 – STAFF COSTS

	2025	2024
	<i>(in thousands of EUR)</i>	
Net salaries	46,809	42,824
Taxes and contributions from salaries	19,056	16,808
Contributions on salaries	10,599	9,504
Cash awards	3,751	4,217
Meals	2,857	2,110
Christmas and Easter bonuses, holiday allowance	2,805	2,785
Transportation	1,804	1,824
Share-based payments (note 35)	422	768
Termination and retirement benefits	289	390
Other costs of employees	2,644	3,890
	91,036	85,120

As at 31 December 2025, the number of staff employed by the Company was 3,314 (2024: 3,420 employees).

The average number of employees during 2025 is 3,369 employees (2024: 3,333 employees).

Share-based payment cost of EUR 422 thousand relates to stock options (2024: stock options EUR 176 thousand, shares EUR 591 thousand).

In 2025, termination and retirement benefits of EUR 289 thousand were paid to 134 employees (2024: termination and retirement benefits of EUR 390 thousand were paid to 131 employees).

NOTE 13 – FINANCE INCOME

	2025	2024
	<i>(in thousands of EUR)</i>	
Dividend income etc.	31,769	13,897
Interest and fees on related party loans	834	445
Interest on term deposits	213	1,939
Net foreign exchange gains on loans	90	-
Remeasurement of financial assets and liabilities at FVTPL	28	-
	32,934	16,281

Dividend received refers to income on the basis of declared dividends in the following subsidiaries:

	2025	2024
	<i>(in thousands of EUR)</i>	
Žito d.o.o., Ljubljana	16,500	8,000
Belupo d.d., Koprivnica	9,000	1,000
Podravka d.o.o., Sarajevo	3,579	2,717
Podravka International Deutschland – „Konar“ GmbH, Munich	900	800
Podravka d.o.o.el., Skopje	736	600
Podravka International Kft., Budapest	496	643
Podravka - International s.r.o., Zvolen	248	135
Podravka d.o.o. Podgorica, Podgorica	200	-
Podravka International s. r. l., Bucharest	108	-
	31,767	13,895

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 14 – FINANCE EXPENSES

	2025	2024
	<i>(in thousands of EUR)</i>	
Interest and fee expense	13,102	1,687
Remeasurement of financial assets and liabilities at FVTPL	-	78
Net foreign exchange loss on borrowings	-	46
	13,102	1,811

NOTE 15 – INCOME TAX

Tax expense/(income) consists of:

	2025	2024
	<i>(in thousands of EUR)</i>	
Current income tax	3,610	5,561
Impact of the incentive obtained for the current year	(3,610)	(5,561)
Tax paid abroad	246	176
Deferred tax expense /(income)	2,868	(1,656)
	3,114	(1,480)

Reconciliation of the effective tax rate

A reconciliation of tax expense per the statement of comprehensive income and taxation at the statutory rate is detailed in the table below:

	2025	2024
	<i>(in thousands of EUR)</i>	
Profit before taxation	52,322	51,287
Tax calculated at 18% (2019:18%)	9,418	9,232
Non-taxable income	(5,718)	(2,501)
Non-deductible expenses	320	177
Tax incentives (research and development, education and other)	(1,152)	(8,564)
Tax paid abroad	246	176
Income tax	3,114	(1,480)
Effective tax rate	6%	-3%

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 15 – INCOME TAX (CONTINUED)

Deferred tax assets

Deferred tax assets arose from the following:

2025	Opening balance	Recognised in profit or loss	Recognised directly in equity	Closing balance
	<i>(in thousands of EUR)</i>			
Financial assets	5,680	(5)	-	5,675
Provisions	1,352	(101)	32	1,283
Property, plant and equipment/ assets held for sale	799	68	-	867
Inventory	756	130	-	886
Share based payments	362	75	(303)	134
Intangible assets	57	-	-	57
Right-of-use assets and lease liabilities	34	21	-	55
Receivables	1	(1)	-	-
Tax benefit for investment	14,401	(3,055)	-	11,346
	23,442	(2,868)	(271)	20,303

2024	Opening balance	Recognised in profit or loss	Recognised directly in equity	Closing balance
	<i>(in thousands of EUR)</i>			
Financial assets	6,890	(1,210)	-	5,680
Provisions	1,017	323	12	1,352
Inventory	950	(194)	-	756
Property, plant and equipment and assets held for sale	846	(47)	-	799
Share-based payments	321	138	(97)	362
Receivables	57	-	-	57
Right-of-use assets and lease liabilities	26	8	-	34
Deferred income	5	(4)	-	1
Tax benefit for investment	11,764	2,642	(5)	14,401
	21,876	1,656	(90)	23,442

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 15 – INCOME TAX (CONTINUED)

Deferred tax assets (continued)

Movement in deferred tax on the basis of lease (right-of-use assets and lease liabilities) is presented in the table below:

	Deferred tax asset based on lease liability	Deferred tax liability based on right-of-use assets	Net
At 1 January 2024	702	(676)	26
Credited/charged to P&L	139	(131)	8
At 31 December 2024	841	(807)	34
Credited/charged to P&L	761	(740)	21
At 31 December 2025	1,602	(1,547)	55

The most significant effect on the decrease in deferred tax assets in 2025 is from utilisation of tax benefits for investments.

Deferred tax assets recognized on the basis of impairment of tangible and intangible assets do not have a determinable useful life since they are used at the time of realization of the asset. Deferred tax assets on long-term provisions for employee benefits (jubilee awards and termination benefits) will be realised in a period longer than one year.

On 10 November 2022, the Company applied for approval of the status of holder of incentive measures based on the Investment Promotion Act. The Act allows for tax incentives in the amount of 50% of the investment amount up to the amount of the investment in the equivalent value of EUR 50 million, and 25% of the incentive for the value of the investment that exceeds the equivalent value of EUR 50 million. Incentives are not approved for the part of the investment that potentially exceeds the equivalent value of EUR 100 million. The theoretical holder of incentive measures can achieve a maximum of EUR 37.5 million tax incentives that can be used for a maximum of 10 years.

On 02 May 2023 the Ministry of Economy and Sustainable Development awarded Podravka the status of beneficiary of investment support, based on the project of investing in expanding capacities and increasing competitiveness through construction and equipping in area of Koprivnica and Varaždin. The approved tax incentive has been used from 2023, from payment of the corporate income tax for 2022, with the realization of the conditions of maintaining the investment during the period of using the tax incentive and employing at least 15 new employees related to the investment and keeping them during the period of use.

The approved incentive measures have a maximum intensity of EUR 34,300 thousand. Based on the assessment of the possible use of the tax benefit by the Management of the Company, Podravka d.d. initially in 2023 recognized EUR 19,718 thousand of tax benefits as deferred tax asset and tax income, and taking into account the anticipated level of investment as well as the anticipated availability of taxable profits. In the coming years, deferred tax assets will be used in accordance with the use of the tax benefit, i.e. the availability of tax liability, which the Company will be able to reduce based on the incentive measure. During December 2022, the Company started with the investment and in 2022 used part of the total incentives and reduced the income tax liability by the amount of EUR 3,966 thousand. In 2023, EUR 3,989 thousand of deferred tax assets were also used on this basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 15 – INCOME TAX (CONTINUED)

Deferred tax assets (continued)

In 2024, the expected availability of taxable profit and the expected investment amount were re-tested and an additional EUR 8,522 thousand of deferred tax was recognized. At the same time, EUR 5,885 thousand of deferred tax assets were utilized on this basis. As the three-year period for the realisation of the initial investment, or investment project, ended on 9 November 2025, the final entitlement to the tax incentive, i.e., the final right to deferred tax assets, was determined. Accordingly, an additional EUR 1,118 thousand of deferred tax was recognised. During 2025, EUR 4,173 thousand of deferred tax assets were utilised against taxable profit.

The remaining balance of deferred tax assets amounts to EUR 11,346 thousand (2024: EUR 14,401 thousand).

OECD Pillar 2 Globe Rules

In December 2021, the OECD published the rules for Pillar 2, i.e., the global rules addressing base erosion and profit shifting (Global Anti-Base Erosion or GloBE rules). These rules establish a minimum global corporate income tax rate of 15% for multinational groups and large domestic groups whose total consolidated annual revenues exceeded EUR 750 million in any two of the previous four years.

The objective of these rules is to ensure that the prescribed amount of corporate income tax is paid on profits earned by a multinational group in each jurisdiction in which it operates. In December 2022, the EU Council adopted the Pillar 2 Directive, which was implemented in Croatia at the beginning of 2024 through the introduction of the Act on the Minimum Global Corporate Tax.

For 2024 and 2025, the Podravka Group achieved consolidated revenues exceeding EUR 750 million. Accordingly, Pillar 2 rules will apply to the Podravka Group starting in 2026, as the revenue threshold condition of EUR 750 million has been met in at least two of the four fiscal years immediately preceding the reference (2026) fiscal year. Therefore, it can be concluded that Pillar 2 has no impact on the current corporate income tax for the financial year ending 31 December 2025. However, the obligation to apply Pillar 2 in 2026 can be confirmed, and the impact of Pillar 2 rules on the Podravka Group will be further analysed.

The Podravka Group conducted a preliminary assessment of potential exposure to the minimum global corporate tax based on available data in the financial statements for 2025, taking into account the simplified calculation provisions (de minimis rules and the exclusion of certain routine profits, or the routine profit test) and considering current corporate income tax rates in each jurisdiction. The preliminary assessment indicates that tax effects in 2026 are not expected for most jurisdictions, or are expected to be immaterial.

The Podravka Group will reassess the potential exposure to the minimum global corporate tax during 2026 to enable reporting to stakeholders and to plan for potential impacts on business results and cash flows. The Group will continue to monitor developments in Pillar 2 legislation in all jurisdictions in which it has companies in order to respond timely to any changes.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 16 – INTANGIBLE ASSETS

<i>(in thousands of EUR)</i>	Software	Distribution rights	Brands	Investments in progress	Total
Cost					
At 1 January 2024	39,377	3,903	7,708	2,362	53,350
Additions	-	-	-	5,098	5,098
Transfers	2,986	383	-	(3,369)	-
Disposals	(127)	-	-	-	(127)
Transfers from tangible assets	-	-	-	37	37
At 31 December 2024	42,236	4,286	7,708	4,128	58,358
Accumulated amortisation and impairment					
At 1 January 2024	(34,537)	(3,903)	(1,801)	-	(40,241)
Amortisation	(2,781)	(42)	-	-	(2,823)
Disposals	127	-	-	-	127
At 31 December 2024	(37,191)	(3,945)	(1,801)	-	(42,937)
Carrying amount					
As at 31 December 2024	5,045	341	5,907	4,128	15,421
Cost					
At 1 January 2025	42,236	4,286	7,708	4,128	58,358
Additions	-	-	-	5,218	5,218
Transfers	10,173	-	-	(10,173)	-
Disposals	(27)	-	-	-	(27)
Transfers from tangible assets	-	-	-	1,401	1,401
At 31 December 2025	52,382	4,286	7,708	574	64,950
Accumulated amortisation and impairment					
At 1 January 2025	(37,191)	(3,945)	(1,801)	-	(42,937)
Amortisation	(3,443)	(50)	-	-	(3,493)
Disposals	27	-	-	-	27
At 31 December 2025	(40,607)	(3,995)	(1,801)	-	(46,403)
Carrying amount					
As at 31 December 2025	11,775	291	5,907	574	18,547

Accumulated amortization and impairment losses include a total of EUR 480 thousand relating to accumulated impairment losses (2024: EUR 480 thousand of accumulated impairment losses).

The total intangible assets with indefinite useful lives as at 31 December 2025 relate to brands and amount to EUR 5,907 thousand (31 December 2024: EUR 5,907 thousand).

Investments in progress mostly relate to licence agreements and IT modernisation.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 17 – PROPERTY, PLANT AND EQUIPMENT

<i>(in thousands of EUR)</i>	Land and buildings	Equipment	Assets under construction	Total
Cost				
At 1 January 2024	255,542	191,682	51,471	498,695
Additions	(11)	11	47,010	47,010
Transfer	13,501	27,005	(40,506)	-
Purchase of used assets	-	5	-	5
Purchase from related companies	-	44	14	58
Sale to related companies	-	(45)	(213)	(258)
Transfer to intangible assets	-	-	(37)	(37)
Transfer to investment property	-	-	(78)	(78)
Transfer from assets held for sale	36	-	-	36
Sale and disposal	(100)	(2,491)	(1)	(2,592)
At 31 December 2024	268,968	216,211	57,660	542,839
Accumulated depreciation and impairment				
At 1 January 2024	(186,674)	(136,716)	-	(323,390)
Depreciation charge for the year	(4,433)	(7,139)	-	(11,572)
Sale to related companies	-	15	-	15
Transfer from assets held for sale	(31)	-	-	(31)
Sale and disposal	48	2,452	-	2,500
At 31 December 2024	(191,090)	(141,388)	-	(332,478)
Carrying amount				
As at 31 December 2024	77,878	74,823	57,660	210,361
Cost				
At 1 January 2025	268,968	216,211	57,660	542,839
Additions	1	(1)	12,895	12,895
Transfer	34,530	29,298	(63,828)	-
Purchase from related companies	-	1	138	139
Sale to related companies	-	(8)	(52)	(60)
Transfer to intangible assets	-	-	(1,401)	(1,401)
Transfer to assets held for sale	-	-	(3)	(3)
Sale and disposal	(110)	(1,670)	-	(1,780)
At 31 December 2025	303,389	243,831	5,409	552,629
Accumulated depreciation and impairment				
At 1 January 2025	(191,090)	(141,388)	-	(332,478)
Depreciation charge for the year	(4,991)	(8,836)	-	(13,827)
Sale to related companies	-	4	-	4
Sale and disposal	89	1,658	-	1,747
At 31 December 2025	(195,992)	(148,562)	-	(344,554)
Carrying amount				
As at 31 December 2025	107,397	95,269	5,409	208,075

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 17 – PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Investments in progress relate mainly to investments in modernisation of buildings, production capacities and extension of the product range.

Mortgaged assets

As at 31 December 2025, the Company has no land and buildings pledged as collateral against the Company's borrowings (2024: EUR 0).

NOTE 18 – LEASES

Right-of-use assets and the movements during the period

	Land	Buildings	Plant and equipment	Total
<i>(in thousands of EUR)</i>				
Cost				
As at 1 January 2024	1,744	1,236	4,773	7,753
Additions/decrease	(509)	3,069	287	2,847
Termination of contract	-	(947)	(536)	(1,483)
Balance at 31 December 2024	1,235	3,358	4,524	9,117
Accumulated depreciation				
As at 1 January 2024	186	620	3,191	3,997
Depreciation charge for the year	34	847	1,120	2,001
Termination of contract	-	(827)	(536)	(1,363)
Balance at 31 December 2024	220	640	3,775	4,635
Present value at 31 December 2024	1,015	2,718	749	4,482
Cost				
As at 1 January 2025	1,235	3,358	4,524	9,117
Additions/decrease	23	165	5,985	6,173
Purchase from group companies	-	-	20	20
Termination of contract	-	-	(3,754)	(3,754)
Balance at 31 December 2025	1,258	3,523	6,775	11,556
Accumulated depreciation				
As at 1 January 2025	220	640	3,775	4,635
Depreciation charge for the year	33	384	1,395	1,812
Termination of contract	-	-	(3,483)	(3,483)
Balance at 31 December 2025	253	1,024	1,687	2,964
Present value at 31 December 2025	1,005	2,499	5,088	8,592

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**FOR THE YEAR ENDED 31 DECEMBER 2025**

NOTE 18 – LEASES (CONTINUED)**Movements in lease liabilities for right-of-use assets**

	2025	2024
	<i>(in thousands of EUR)</i>	
As at 1 January	4,671	3,899
Increase of lease liabilities during the year	5,920	2,724
Interest expense	331	211
Lease liabilities payments	(2,023)	(2,163)
As at 31 December	8,899	4,671
Current portion of long-term liability for right-of-use assets	1,799	991
Long-term liability for right-of-use assets	7,100	3,680

Amounts recognised in the statement of comprehensive income

	2025	2024
	<i>(in thousands of EUR)</i>	
Expenses related to short-term leases and leases of low-value assets etc.	2,207	2,201
Depreciation expense	1,812	2,001
Interest expense	331	211
Total amount recognised in the statement of comprehensive income	4,350	4,413

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**FOR THE YEAR ENDED 31 DECEMBER 2025****NOTE 19 – INVESTMENT PROPERTY***(in thousands of EUR)*

	Land	Buildings	Total
Cost			
At 1 January 2024	11,765	7,878	19,643
Transfer from property, plant and equipment	-	78	78
At 31 December 2024	11,765	7,956	19,721
Accumulated depreciation and impairment			
At 1 January 2024	(1,875)	(3,949)	(5,824)
Depreciation charge for the year	-	(199)	(199)
At 31 December 2024	(1,875)	(4,148)	(6,023)
Carrying amount			
At 31 December 2024	9,890	3,808	13,698
Cost			
At 1 January 2025	11,765	7,956	19,721
At 31 December 2025	11,765	7,956	19,721
Accumulated depreciation and impairment			
At 1 January 2025	(1,875)	(4,148)	(6,023)
Depreciation charge for the year	-	(198)	(198)
At 31 December 2025	(1,875)	(4,346)	(6,221)
Carrying amount			
At 31 December 2025	9,890	3,610	13,500

Operating expenses for investment property amount to EUR 267 thousand (2024: EUR 300 thousand), while rental income from a smaller part of the property amounts to EUR 329 thousand (2024: EUR 281 thousand).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 20 – INVESTMENTS IN SUBSIDIARIES

Subsidiaries in which the Company has an ownership interest and control:

Name of subsidiary	Country	Ownership interest in %		Equity share (in thousands of EUR)		Principal activity
		31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	
Podravka Agri d.o.o.**	Croatia	84.99	100.00	333,000	85	Holding companies
Žito d.o.o.	Slovenia	100.00	100.00	58,413	58,413	Production and sale of food products
Belupo d.d.	Croatia	100.00	100.00	52,180	52,180	Product. and distrib. of pharmaceuticals
Podravka Lagris a.s.	Czech Rep.	100.00	100.00	9,125	9,125	Rice production and sale
Mirna d.d.	Croatia	100.00	100.00	6,027	6,027	Fish processing and production
Podravka-Polska Sp.z o.o.	Poland	100.00	100.00	2,502	2,502	Sale and distribution
Podravka d.o.o. Ljubljana ****	Slovenia	100.00	-	1,986	-	Sale and distribution
Podravka-International Kft.	Hungary	100.00	100.00	709	709	Sale and distribution
Podravka-Int. Deutschland –“Konar” GmbH	Germany	100.00	100.00	142	142	Sale and distribution
Podravka-International s.r.o. *	Slovakia	100.00	100.00	137	137	Sale and distribution
Podravka d.o.o. Podgorica	Montenegro	100.00	100.00	137	137	Sale and distribution
Podravka-International s.r.l.	Bulgaria	100.00	100.00	134	134	Sale and distribution
Podravka-International Pty. Ltd	Australia	100.00	100.00	106	106	Sale and distribution
Podravka d.o.o.	Russia	100.00	100.00	92	92	Sale and distribution
Podravka USA Inc.	USA	100.00	100.00	84	84	Sale and distribution
Podravka-International s.r.l.	Romania	100.00	100.00	17	17	Sale and distribution
Podravka d.o.o.el Petrovec	North Macedonia	100.00	100.00	6	6	Sale and distribution
Podravka d.o.o. Sarajevo	Bosnia and Herzeg.	100.00	100.00	5	5	Sale and distribution
Podravka d.o.o. Belgrade	Serbia	100.00	100.00	-	-	Sale and distribution
FOODPRO LIMITED***	Tanzania	100.00	100.00	-	-	Production and sale of food products
Podravka Gulf Fze	UAE	100.00	100.00	-	-	Sale and distribution
				464,802	129,901	

*25% of ownership interest is held indirectly through the subsidiary Podravka-Lagris a.s., Dolni Lhota

** In 2024, the Company established the company Podravka Agri d.o.o. As at 31 December 2025, the Company holds an 84.99% ownership interest, while the European Bank for Reconstruction and Development holds 15.01% in Podravka Agri d.o.o., Osijek.

*** 15% of ownership interest is held indirectly through the subsidiary Podravka-Int. Deutschland – “Konar“ GmbH

**** The Company holds 100% share as of 1 July 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 20 – INVESTMENTS IN SUBSIDIARIES (CONTINUED)

During 2025 the Company increased share capital of the subsidiary Podravka Agri d.o.o. by the amount of EUR 282,195 thousand, and the EBRD by the amount of EUR 50,000 thousand.

In 2025, the Company acquired the company Podravka d.o.o. Ljubljana from the subsidiary Žito d.o.o., Ljubljana for a purchase price of EUR 1,986 thousand.

NOTE 21 – NON-CURRENT FINANCIAL ASSETS

	2025	2024
	<i>(in thousands of EUR)</i>	
Loans to related companies	6,604	-
Financial instruments	384	384
Deposits and other	98	93
Investments in other equity instruments	51	53
Impairment of financial instruments	(384)	(384)
	6,753	146

Loans to related parties are described in note 36.

NOTE 22 – INVENTORIES

	2025	2024
	<i>(in thousands of EUR)</i>	
Raw materials and supplies	39,845	30,341
Finished goods	27,621	30,166
Work in progress	18,275	11,823
Merchandise	7,827	7,108
	93,568	79,438

During 2025, the Company recognized net impairment loss with respect to certain inventories in the amount of EUR 719 thousand (2024: EUR 1,080 thousand of net gain). The movement in inventory impairment provision is included in the statement of comprehensive income in line item 'Cost of goods sold'.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 23 – TRADE AND OTHER RECEIVABLES

	2025	2024
	<i>(in thousands of EUR)</i>	
Trade receivables	45,423	41,320
Accumulated impairment losses on receivables	(11,836)	(11,835)
Impairment of receivables for expected credit losses	-	(6)
Net trade receivables	33,587	29,479
Related party trade receivables	27,271	29,989
Impairment for related party trade receivables	(1,808)	(817)
Deposits receivable from related parties	-	15,000
Loans and interest receivable from related parties	12,837	14,345
Prepaid expenses	595	1,699
Receivables from employees	242	668
Advances to suppliers	31	16
Net VAT receivable	-	1,017
Other receivables	468	409
	73,223	91,805

Loans given to and interest receivable from related parties include short-term loans and current portion of long-term loans given to related parties and interest receivable from related parties (see note 36).

Movements in the impairment allowance for trade receivables are as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
At 1 January	12,658	13,055
Increase/(decrease)	994	(7)
Amounts collected	(8)	(103)
Written off as uncollectible	-	(287)
At 31 December	13,644	12,658

Impairment losses on trade receivables and income from subsequent collection of impaired receivables are included within 'Selling and distribution costs'.

Ageing analysis of trade receivables that are not impaired:

	2025	2024
	<i>(in thousands of EUR)</i>	
Undue	45,975	46,729
Up to 90 days	7,564	6,668
91-180 days	2,546	2,642
181-360 days	2,965	2,612
	59,050	58,651

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 23 – TRADE AND OTHER RECEIVABLES (CONTINUED)

Major customers

Trade receivables from major customers owned or controlled by the same third-party group as at 31 December 2025 amount to EUR 11,669 thousand (2024: EUR 9,085 thousand).

NOTE 24 – FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025	2024
	<i>(in thousands of EUR)</i>	
Forward contracts	-	2
	-	2

In 2025, the Company realised forward contracts with commercial banks concluded in 2024 with the primary intention of managing the fluctuation of the exchange rates of foreign currencies. As at 31 December 2025, the forward contracts had a fair value of EUR 0 (31 December 2024: EUR 2 thousand).

As there were no forward contracts as at 31 December 2025, the nominal value of forward exchange contracts in the sold currency translated at the CNB exchange rate as at 31 December 2025 amounted to EUR 0 (2024: EUR 4,379 thousand with maturities between 10 January 2025 and 10 September 2025).

Gains and losses recognised as changes in the market value of forward exchange contracts are recognised in the statement of comprehensive income, under 'financial income/financial expenses'.

Fair value measurement

The fair value of forward exchange contracts is based on the quotation of the exchange rate. In accordance with the input variables used, the assessment is categorized in the fair value hierarchy as level 2 (see note 7).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 25 – CASH AND CASH EQUIVALENTS

	2025	2024
	<i>(in thousands of EUR)</i>	
Deposits	6,741	13,265
Cash in banks	3,713	487
	10,454	13,752

Cash in banks refers to transaction accounts at commercial banks bearing an average interest rate ranging from 0.00% to 0.04%.

Deposits refer to domestic and foreign currency funds placed with commercial banks for a period of one month.

The Company has certain transactions in foreign currencies and cash on bank accounts mainly in USD (EUR 958 thousand), PLN (EUR 546 thousand), HUF (EUR 140 thousand) and CAD (EUR 62 thousand) at 31 December 2025.

NOTE 26 – NON-CURRENT ASSETS HELD FOR SALE

	2025	2024
	<i>(in thousands of EUR)</i>	
Land and buildings	3,636	3,633
	3,636	3,633

(i) Land and buildings

The total amount of assets held for sale relates to properties in Koprivnica, Rijeka and Umag and land in Žminj for which the Company is actively seeking a buyer and expects to sell.

(ii) Fair value measurement

Fair value measurement is classified, according to inputs used in fair value measurement, as level 3 (see note 7). The following table summarizes the valuation methods and techniques as well as significant inputs used in measuring the fair value:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 26 – NON-CURRENT ASSETS HELD FOR SALE (CONTINUED)

Valuation methods and techniques	Significant unobservable inputs
<i>Property</i> For buildings and land, the comparative and cost method is used	After the research on the actually conducted transactions, information was obtained on the realized transactions of similar comparisons. When applying the cost method, normal construction costs, depreciation due to age, defects and damage to the building, as well as other circumstances that affect the value, are taken into account.

NOTE 27 – SHARE CAPITAL

	Number of shares	Ordinary shares	Share premium	Treasury shares	Total
		<i>(in thousands of EUR)</i>			
At 1 January 2024	7,033,219	213,600	17,179	(6,929)	223,850
Purchase of treasury shares	(20,070)	-	-	(3,185)	(3,185)
Share-based payment	16,909	-	(964)	1,581	617
Fair value of share-based payments	-	-	767	-	767
31 December 2024	7,030,058	213,600	16,982	(8,533)	222,049
At 1 January 2025	7,030,058	213,600	16,982	(8,533)	222,049
Purchase of treasury shares	(6,050)	-	-	(860)	(860)
Share-based payment	49,983	-	(2,788)	4,852	2,064
Fair value of share-based payments	-	-	422	-	422
31 December 2025	7,073,991	213,600	14,616	(4,541)	223,675

As at 31 December 2025, the Company's share capital amounted to EUR 213,600 thousand, distributed among 7,120,003 shares out of which 46,012 relates to treasury shares (2024: EUR 213,600 thousand, distributed among 7,120,003 shares out of which 89,945 relates to treasury shares).

During 2025, the Company purchased 6,050 treasury shares (2024: 20,070 treasury shares).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**FOR THE YEAR ENDED 31 DECEMBER 2025**

NOTE 27 – SHARE CAPITAL (CONTINUED)

The shareholder structure as at the reporting date was as follows:

	2025		2024	
	Number of shares	% of ownership	Number of shares	% of ownership
CERP/REPUBLIC OF CROATIA*	1,187,732	16.68%	452,792	6.36%
PBZ CO OMF - category B	1,097,644	15.42%	1,097,644	15.42%
AZ OMF category B	934,026	13.12%	932,563	13.10%
Raiffeisen OMF category B	625,298	8.78%	625,298	8.78%
Erste Plavi OMF category B	613,643	8.62%	638,248	8.96%
Mesna industrija braća Pivac d.o.o.	511,519	7.18%	370,977	5.21%
Kapitalni fond d.d.	406,842	5.71%	406,842	5.71%
HPB d.d./Republic of Croatia	167,281	2.35%	167,281	2.35%
Radnik d.d.	77,778	1.09%	71,320	1.00%
Bistra d.o.o.	75,015	1.05%	70,038	0.98%
Other shareholders	1,423,225	20.00%	2,287,000	32.13%
Total	7,120,003	100.00%	7,120,003	100.00%

*During 2025, 727,703 shares were transferred from the CERP/HZMO account and 7,237 shares from the individual CERP account to the CERP/REPUBLIC OF CROATIA account.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 28 – RESERVES

<i>(in thousands of EUR)</i>	Reserves for treasury shares	Legal reserves	Other reserves	Total
At 1 January 2024	19,590	10,049	79,982	109,621
Allocation of profits	-	2,370	22,246	24,616
Actuarial loss (net of deferred tax)	-	-	(54)	(54)
Fair value reserve – financial assets	-	-	22	22
At 31 December 2024	19,590	12,419	102,196	134,205
At 1 January 2025	19,590	12,419	102,196	134,205
Actuarial loss (net of deferred tax)	-	-	(146)	(146)
At 31 December 2025	19,590	12,419	102,050	134,059

The legal reserve is required under Croatian law according to which the Company is committed to build up legal reserves to a minimum of 5% of the profit for the year until the total reserve reaches 5% of the share capital. Both legal reserves and reserves for treasury shares are non-distributable. Other reserves mainly relate to (non-distributable) reserves required by the Company's Articles of Association and actuarial gains and losses related to the assessment of long-term provisions for employee benefits.

(i) Allocation of profits

Following the General Assembly's decision of 29 April 2025, the Company's profit from 2024 in the amount of EUR 30,189 was allocated to the Company's retained earnings.

NOTE 29 – RETAINED EARNINGS

The movement in retained earnings is as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
At 1 January	59,176	53,365
- profit for the year (after tax)	49,208	52,767
- share-based payment	416	139
- dividend declared	(22,578)	(22,479)
- transfer to reserves	-	(24,616)
At 31 December	86,222	59,176

At 29 April 2025, the General Assembly reached a decision on dividend distribution in amount of EUR 22,578 thousand, EUR 3.20 per share (2024: EUR 22,479 thousand, EUR 3.20 per share).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 30 – FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025	2024
	<i>(in thousands of EUR)</i>	
Forwards	-	30
	-	30

As at 31 December 2025, financial liabilities at fair value of currency forward contracts amount to EUR 0 thousand (2024: EUR 30 thousand).

NOTE 31 – BORROWINGS

	2025	2024
	<i>(in thousands of EUR)</i>	
Non-current borrowings		
Banks in Croatia	202,478	-
Banks abroad	50,000	-
Related party borrowings	50,500	-
	302,978	-
Current borrowings		
Banks in Croatia	73,812	40,000
Related party borrowings	22,274	51,069
	96,086	91,069
Total borrowings	399,064	91,069

Short-term borrowings also include the current portion of long-term borrowings, which amounted to EUR 39,512 thousand as of the reporting date (2024: EUR 46,272 thousand).

The Company has credit lines with commercial banks with maturities of two to five years, from which short-term borrowings are drawn on a revolving basis. These revolving credit lines also include the possibility of using bank guarantees, letters of intent, and letters of credit.

In 2024, the Company concluded a long-term club loan agreement with Croatian commercial banks. The borrowing was used in January 2025 for the capital contribution to Podravka Agri d.o.o. in the amount of EUR 283 million to pay the purchase price for the acquisition of the agricultural companies of the Fortenova Group.

In 2024, the Company and Podravka Agri d.o.o. signed long-term agreements with the European Bank for Reconstruction and Development for an equity investment in Podravka Agri d.o.o. in the amount of EUR 50 million, which was used in January 2025 for the capital contribution to Podravka Agri d.o.o. to pay the purchase price for the acquisition of the agricultural companies of the Fortenova Group.

According to the currently valid borrowing agreements and revolving facilities with banks, the Company is obliged to maintain a financial indicator of net debt coverage with EBITDA, which is calculated as the ratio of net financial debt to EBITDA on a consolidated basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 31 – BORROWINGS (CONTINUED)

The maturity of non-current borrowings is as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Between 1 and 2 years	252,978	-
Between 2 and 5 years	50,000	-
	302,978	-

The Company's weighted average interest rate on bank borrowings as at the reporting date was 2.85% (2024: 0.75%), while on related party borrowings it was 4.33% (2024: 3.38%).

An overview of borrowings by fixed and variable interest rates is as follows:

	2025		2024	
	fixed	variable	fixed	variable
	<i>(in thousands of EUR)</i>			
Non-current borrowings	50,500	252,478	-	-
Current borrowings	18,274	77,812	87,069	4,000
	68,774	330,290	87,069	4,000

In accordance with the decision of the Ministry of Finance on the publication of the interest rate on borrowings between related parties, the Company classifies the interest rate on borrowings from related companies as a fixed interest rate.

The fair value of the Company's long-term borrowings:

	Carrying value	Fair value	Carrying value	Fair value
<i>(in thousands of EUR)</i>	2025	2025	2024	2024
Non-current borrowings				
Banks in Croatia	202,478	202,478	-	-
Banks abroad	50,000	50,000	-	-
Related parties	50,500	48,970	-	-
	302,978	301,448	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 31 – BORROWINGS (CONTINUED)

The carrying amounts of the Company's borrowings are denominated in the following currencies:

	2025	2024
	<i>(in thousands of EUR)</i>	
EUR	398,340	90,972
HUF	260	97
USD	464	-
	399,064	91,069

The Company has the following undrawn bank borrowings:

	2025	2024
	<i>(in thousands of EUR)</i>	
Up to 1 year	2,295	85,021
From 1 to 3 years	167,631	-
Over 3 years	30,000	-
	199,926	85,021

These comprise unused short-term revolving facilities, guarantees and letters of credit which the Company uses with several commercial banks.

Reconciliation of movements in liabilities with cash flows from financing activities:

	Loans	Liabilities for right-of-use assets	Share capital	Retained earnings	Total
<i>(in thousands of EUR)</i>					
At 1 January 2025	91,069	4,671	222,049	59,176	376,965
<i>Cash transactions:</i>					
Loans received	457,893	-	-	-	457,893
Loans repayment	(186,900)	(1,693)	-	-	(188,593)
Purchase of treasury shares	-	-	(860)	-	(860)
Dividend paid	-	-	-	(22,445)	(22,445)
Total cash transactions	270,993	(1,693)	(860)	(22,445)	245,995
<i>Non-cash transactions:</i>					
Other non-cash transactions	37,002	5,921	-	-	42,923
Total other changes related to capital	-	-	2,486	49,491	51,977
At 31 December 2025	399,064	8,899	223,675	86,222	717,860

Other non-cash transactions on borrowings mainly relate to compensations of intra-group liabilities and receivables.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 32 – PROVISIONS

<i>(in thousands of EUR)</i>	Jubilee awards	Unused holiday	Retirement benefits	Bonuses	Legal cases	Total
As at 31 December 2024:						
Non-current	875	-	3,241	-	1,745	5,861
Current	243	1,949	-	2,529	20	4,741
At 1 January 2025	1,118	1,949	3,241	2,529	1,765	10,602
Increase/(decrease) in provisions	205	1,182	414	2,078	(1,016)	2,863
Utilised during the year	(235)	(1,949)	(299)	(2,529)	(16)	(5,028)
At 31 December 2025	1,088	1,182	3,356	2,078	733	8,437
Non-current	886	-	3,356	-	713	4,955
Current	202	1,182	-	2,078	20	3,482
	1,088	1,182	3,356	2,078	733	8,437

(i) *Legal cases*

Legal provisions relate to a number of legal proceedings initiated against the Company which stem from regular commercial activities and court cases including former employees. The expenses relating to the provisions are included in the separate statement of comprehensive income within Other income or Administrative expenses. Based on the expert opinion of legal advisers, management believes that the outcome of these legal proceedings will not give rise to any significant losses beyond the amounts provided as at 31 December 2025.

(ii) *Bonuses*

In 2025, the Company recognised EUR 2,078 thousand of provisions for bonuses to management (2024: EUR 2,529 thousand).

(iii) *Jubilee awards and regular retirement benefits*

According to the Collective Labour Agreement signed by companies in Croatia, the Company has an obligation to pay jubilee awards, retirement and other benefits to its employees. In accordance with the respective agreement, the employees are entitled to a regular retirement benefit (without stimulating retirement benefit) in the net amount of EUR 2 thousand, of which EUR 1 thousand are taxable. No other post-retirement benefits are provided. The present values of these liabilities, the related current service cost and past service cost were measured using the projected credit unit method. Management considers the Croatian corporate bond market to be a deep market.

The actuarial estimates have been derived on the basis of the following key assumptions:

	2025	2024
Discount rate	2.90%	2.70%
Fluctuation rate	7.00%	7.50%
Average expected remaining working lives (in years)	14	15

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 32 – PROVISIONS (CONTINUED)

Changes in the present value of the defined benefit obligation during the period:

<i>(in thousands of EUR)</i>	2025		2024	
	Jubilee awards	Retirement benefits	Jubilee awards	Retirement benefits
At 1 January	1,118	3,241	1,130	3,198
Past service cost	7	16	9	14
Current service cost	61	136	64	122
Interest expense	27	84	34	100
Actuarial losses	110	178	98	65
Benefits paid	(235)	(299)	(217)	(258)
At 31 December	1,088	3,356	1,118	3,241

NOTE 33 – TRADE AND OTHER PAYABLES

	2025	2024
	<i>(in thousands of EUR)</i>	
Trade payables	32,517	40,016
Related party payables	3,008	3,941
Other liabilities	25,572	20,322
	61,097	64,279

As at 31 December 2025 and 31 December 2024, the carrying amounts of payables approximate their fair values due to the short-term nature of those liabilities.

Other payables include the following:

	2025	2024
	<i>(in thousands of EUR)</i>	
Deferred income	7,086	6,363
Other accrued expenses	6,996	5,218
Salaries and other benefits to employees	6,821	6,452
Interest payable	1,965	194
Net VAT payable	1,005	-
Dividends payable	849	716
Package waste disposal fee payable	31	85
Contributions and other duties payable	23	10
Other payables	796	1,284
	25,572	20,322

More information on employee expenses is provided in note 11.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 34 – RISK MANAGEMENT

Categories of financial instruments are as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Financial assets at amortised cost		
Trade receivables (including bills of exchange received and interest)	59,587	59,029
Deposits	98	15,093
Short-term loans	12,300	13,967
Cash and cash equivalents	10,454	13,752
Long-term loans	6,604	-
	89,043	101,841
Financial assets at fair value through other comprehensive income		
Equity instruments	51	53
	51	53
Financial assets at fair value through profit and loss		
Forward contracts	-	2
	-	2
Total financial assets	89,094	101,896
Financial liabilities at amortised cost		
Borrowings	399,064	91,069
Trade and interest payables	37,490	44,151
Lease liabilities	8,899	4,671
	445,453	139,891
Financial liabilities at fair value through profit and loss		
Forward contracts	-	30
	-	30
Total financial liabilities	445,453	139,921

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices;
- the fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Financial instruments held to maturity in the normal course of operations are carried at the lower of cost and the net amount less the portion repaid. Fair value is determined as the amount at which a financial instrument can be exchanged between willing and knowledgeable parties in an arm's-length transaction, except in the event of forced sale or liquidation.

At the reporting date, the carrying amounts of cash and cash equivalents, short-term deposits and short-term borrowings approximate their market value due to the short-term nature of those assets and liabilities and due to the fact that a majority of these assets and liabilities are at variable interest rates approximating market interest rates.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 34 – RISK MANAGEMENT (CONTINUED)

Fair value of financial instruments (continued)

Financial assets arising from currency forward contracts are measured at fair value as explained in note 24.

The Company considers that the carrying amount of investments in unquoted and quoted equity instruments with no active market approximates their fair value due to the fact that the respective instruments were acquired at a price willingly agreed by knowledgeable and unrelated parties.

The carrying amounts of borrowings and leases approximates their fair values as these liabilities bear variable interest rates or fixed interest rate approximating market interest rates.

Risk factors

In its operations, the company is exposed to risks typical for economic entities operating on the domestic and foreign markets, especially those from the food industry.

External risk factors refer to influences from the environment such as economic, political, technological, social, risk related to changes in legislation and in recent years the increasingly pronounced impact of climate change on certain parts of the business system. The company ensures compliance with the standards governing individual areas and thereby reduces exposure to external risk factors. The Company can influence the impact of internal risk factors through regular business policies, procedures and decisions.

The Company continues with the continuous implementation of the Enterprise Risk Management (ERM) process.

Enterprise Risk Management refers to the process of integrated analysis and reporting of key strategic, operational and financial risks to which the company is exposed, identification of potential events that may negatively affect the company's results, and management of identified risks.

Financial risks

In its operations, the Company is exposed to various financial risks, especially the currency risk, interest rate risk, price risk, credit risk, and liquidity risk. The company actively manages these risks through adopted policies and sets guidelines related to financial risk management.

Capital risk management

The gearing ratio at the reporting date was as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Debt (long- and short-term borrowings including forward contract)	399,064	91,099
Cash and cash equivalents	(10,454)	(13,752)
Net debt	<u>388,610</u>	<u>77,347</u>
Equity	443,956	415,430
Net debt to equity ratio	88%	19%

Debt is defined as long-term and short-term borrowings. Equity includes all capital and reserves.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 34 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Credit risk management

Credit risk refers to the risk that counterparties will default on their contractual obligations resulting in a possible financial loss for the Company. The Company adopted “Policy of customer credit risk management and collection of receivables in the Podravka Group” and applies it in operations with customers, based on which it takes security instruments, wherever possible, for the purpose of hedging possible financial risks and loss as a consequence of default.

The Company enters into business only with counterparties with good credit ratings, securing, when needed, receivables for the purpose of decreasing the risk of financial loss as a consequence of default. The Company’s exposure and the credit ratings of its counterparties are continuously monitored.

The Company’s exposure to major customers

The control of the Company’s exposure to major customers is carried out through regular monitoring of receivables and certain measures to control the collection and delivery of goods, as well as the acquisition of adequate collection security instruments. The Policy considers existing and new external customers of the Company through the prism of the approved amount of credit limits and customer risk categories. In case of exceeding the given parameters, it is acted in accordance with the Policy, and everything is systematically monitored through the relevant module in SAP. Receivables are analysed on a weekly basis and the necessary measures are taken for their collection, all in accordance with the parameters of the adopted Policy.

Risk mitigation measures are defined based on the financial performance indicators for individual category of customers, using services where the required information is available (financial statements, credit ratings). The Company’s exposure and credit exposure are continuously monitored through credit limits set by the Company and insurer, which are continuously revised and adjusted in accordance with the needs and situation on the market.

During 2024, the Company did not have significant damage claims related to the insurance of receivable collection.

Liquidity risk management

The Company manages liquidity risk by maintaining optimum amounts of cash on accounts, continuously forecasting future cash flows and monitoring realised ones and contracting adequate sources of financing from which it can in short-term and at familiar conditions ensure liquidity requirements.

The Company continuously monitors and plans all its receivables and all trade payables, liabilities to employees, banks and other financial institutions, taxes payable and other payables with the aim of timely ensuring required liquidity level.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 34 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Liquidity risk analysis

The following tables detail the Company's remaining contractual maturity for its financial liabilities and its financial assets presented in the statement of financial position at each reporting period end. The tables have been drawn up based on the undiscounted cash flows based on contracted terms at reporting date and include cash flows from both interest and principal.

The liquidity risk analysis below shows no potential deficit of short-term liquidity for the Company.

<i>as at 31 December 2025</i>	Net book value	Contracted cash flow	Up to one year	1 - 5 years	over 5 years
	<i>(in thousands of EUR)</i>				
<i>Non-interest bearing liabilities:</i>					
Trade and interest payables	37,490	37,490	37,490	-	-
	37,490	37,490	37,490	-	-
<i>Interest bearing liabilities:</i>					
Loans and borrowings	399,064	420,658	107,233	313,425	-
Lease liabilities	8,899	11,220	2,167	5,699	3,354
	407,963	431,878	109,400	319,124	3,354
	445,453	469,368	146,890	319,124	3,354
<i>Non-interest bearing assets:</i>					
Trade receivables (including interests)	59,587	59,587	59,587	-	-
Deposits	98	98	-	-	98
Cash and cash equivalents	10,454	10,454	10,454	-	-
Financial instruments	51	52	-	52	-
	70,190	70,191	70,041	52	98
<i>Interest bearing assets:</i>					
Short-term and long-term loans	18,904	20,232	13,082	7,150	-
	18,904	20,232	13,082	7,150	-
	89,094	90,423	83,123	7,202	98
Net liquidity position	(356,359)	(378,945)	(63,767)	(311,922)	(3,256)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 34 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Liquidity risk management (continued)

Liquidity risk analysis (continued)

<i>as at 31 December 2024</i>	Net book value	Contracted cash flow	Up to one year	1 - 5 years	over 5 years
	<i>(in thousands of EUR)</i>				
<i>Non-interest bearing liabilities:</i>					
Trade and interest payables	44,151	44,151	44,151	-	-
Forward contracts	30	30	30	-	-
	44,181	44,181	44,181	-	-
<i>Interest bearing liabilities:</i>					
Loans and borrowings	91,069	92,761	92,761	-	-
Lease liabilities	4,671	6,874	1,301	1,901	3,672
	95,740	99,635	94,062	1,901	3,672
	139,921	143,816	138,243	1,901	3,672
<i>Non-interest bearing assets:</i>					
Trade receivables (including interests)	59,029	59,029	59,029	-	-
Deposits	15,093	15,093	15,000	-	93
Cash and cash equivalents	13,752	13,752	13,752	-	-
Financial instruments	53	53	-	53	-
Forward contracts	2	2	2	-	-
	87,929	87,929	87,783	53	93
<i>Interest bearing assets:</i>					
Short-term loans	13,967	14,354	14,354	-	-
	13,967	14,354	14,354	-	-
	101,896	102,283	102,137	53	93
Net liquidity position	(38,025)	(41,533)	(36,106)	(1,848)	(3,579)

Market risks

(i) Interest rate risk management

The company has contracted revolving facilities with banks that carry fixed and variable interest rates, as well as long-term financing arrangements executed at the beginning of 2025, which carry variable interest rates. As of the reporting date, the Company predominantly utilised financing arrangements with variable interest rates, resulting in higher exposure to interest rate risk compared to the same period of the previous year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 34 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Market risks (continued)

(i) *Interest rate risk management (continued)*

In 2024, the Company concluded a long-term club loan agreement with Croatian commercial banks, which was used in the amount of EUR 283 million in January 2025.

The company has agreed framework credit lines with banks with fixed and variable interest rates, as well as long-term financial arrangements, realized at the beginning of 2025. They carry a variable interest rate, determined as the sum of the contracted interest margin and the three-month EURIBOR.

At the reporting date, the Company mostly used financial arrangements with variable interest rates, which resulted in higher exposure to interest rate risk compared to the same period of the previous year.

The company continuously monitors changes and projections of interest rates so that it can react in a timely manner if necessary.

Exposure to changes in interest rates on borrowings in accordance with the contractual dates of interest rate changes at the reporting date is as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Bank borrowings based on EURIBOR	326,290	-
Borrowings from related parties based on EURIBOR	4,000	4,000
	330,290	4,000

Interest rate sensitivity analysis

The sensitivity analysis below is based on the exposure to interest rate risk under the contractual terms at the reporting date.

For variable interest rates, the analysis is prepared by calculating the effect of a reasonably possible increase in interest rates on variable interest rate borrowings on the expected contractual cash flows of such borrowings compared to those calculated using the interest rate applicable at the end of the current reporting period.

The estimated effect of an increase in interest rates of 50 basis points on the Company's result before tax for the reporting periods is as follows:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 34 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Market risks (continued)

(i) Interest rate risk management (continued)

Interest rate sensitivity analysis (continued)

<i>as at 31 December 2025</i>	Contractual cash flows	up to 1 year	1 to 2 years	2 to 5 years
	<i>(in thousands of EUR)</i>			
In line with currently applicable interest rates	348,191	86,357	207,759	54,075
In line with currently applicable interest rates + 0.50%	350,986	87,825	208,603	54,558
Effect of 0.50% interest rate increase	(2,795)	(1,468)	(844)	(483)

The drawdown of long-term financing arrangements with variable interest rates in 2025 resulted in higher exposure to interest rate risk compared to the previous period.

<i>as at 31 December 2024</i>	Contractual cash flows	up to 1 year	1 to 2 years	2 to 5 years
	<i>(in thousands of EUR)</i>			
In line with currently applicable interest rates	4,130	4,130	-	-
In line with currently applicable interest rates + 0.50%	4,143	4,143	-	-
Effect of 0.50% interest rate increase	(13)	(13)	-	-

(ii) Price risk

The Company's success depends on adequate sources of raw materials, as well as their prices on the market, the efficiency of the production process and product distribution to its customers.

The cost of raw materials could have a significant role in the cost of finished products that the Company manufactures, therefore, it is subject to fluctuations of market prices of agricultural and food raw materials, whose impact cannot always be offset through the product selling price charged to the customer.

Protective customs and trade mechanisms in the EU protecting EU producers represent a risk in terms of increased customs duties (antidumping) for certain raw materials from third countries.

Also, frequent disruptions on the global market caused by environmental and geopolitical factors and a consolidation in the sector of primary production of raw materials, as well as global disruptions in the supply chain caused by uncertainty and fluctuations in container transport prices, energy crisis and the current wars, have higher purchase prices as a consequence.

The Company realises most of the procurement on the domestic market, while the majority of turnover with foreign suppliers relates to suppliers from EU member states.

Among procurement function risks, the risk of availability of goods on market is one of the most significant, due to its possible impact on the Company's operations.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 34 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Market risks (continued)

(ii) *Price risk (continued)*

Risks of raw material procurement and product delivery

Over the last years, this risk is more prominent due to more frequent adverse weather conditions caused by climate change on the global level (long droughts, floods, frost, etc.). The consequence are lower yields of some agricultural plants often coupled with their lower quality, which leads to the deficit of these raw materials in the free market (fresh and dried vegetables), even for several consecutive seasons. More frequent livestock diseases cause global disruptions on the meat market, while political or social unrest in certain countries, or interventions on market (hazelnut, cocoa) or speculation in key agricultural and food commodities (such as wheat, sugar, oilseeds) are a constant threat in the global business environment.

The increasing instability of maritime transport contributes to further price volatility that is reflected in all types of raw materials and packaging as it has a global impact on the functioning of the entire supply chain from Canada, African countries to Eastern markets. Instability in maritime transport and extended shipping routes are causing supply disruptions and increases in the prices of raw materials used in the production of certain packaging materials, which in turn leads to higher prices and longer delivery times for packaging materials.

The procurement function of the Company minimizes these impacts through managing the strategic procurement categories and key suppliers, consolidation of purchasing volumes with the aim to strengthen market positions and ensure availability of raw materials for the production in required volumes, of satisfying quality and on time. Furthermore, by continuously monitoring new technological solutions and introducing substitute raw materials where possible, the Company is actively working to mitigate and/or eliminate risks related to the procurement of raw materials and product availability.

Risks of price fluctuations of basic raw materials

The market of agricultural and food products, as the most significant source of raw materials for the Company, is among the most sensitive markets of the modern world. Therefore, the volatility of prices of agricultural and food raw materials is a significant element in the Company's business environment, especially in conditions of prominent disruptions on the global and local markets. One of the reasons lies in the already mentioned risks of availability of goods due to environmental, geopolitical and social factors and speculation in key agricultural and food commodities, especially wheat, sugar and oilseeds.

Exceptional price volatility is particularly relevant in the commodity market segment (hazelnut, sugar, spices, cocoa, powdered milk, wheat, durum semolina, oilseeds) due to disruptions in the supply chain and climate change on the one hand, and on the other hand due to increased demand in the Chinese market. Furthermore, producers in the EU increasingly have to comply with various production conditions that producers in other parts of the world are not obliged to comply with, regarding the strictest environmental standards, CO₂ emissions and the use of permitted plant protection products, regulations on animal welfare, etc.

Protective customs and trade mechanisms in the EU that, on one hand, protect EU producers and customers, on the other hand pose a risk in terms of increased customs duties (antidumping) for certain raw materials from third countries, as well as the impossibility of supplying certain materials that in those countries have not been observed as a health risk (use of certain types of pesticides) and as such are allowed for use in those countries.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 34 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Market risks (continued)

(ii) *Price risk (continued)*

Risks of raw material procurement and product delivery (continued)

To minimise these impacts, the Company's procurement function continuously monitors movements in prices and market trends, conducts joint tenders for certain strategic procurement categories, uses new procurement techniques (a new e-procurement system has been implemented to conduct procurement tenders, which is also used for internet auctions) to increase the efficiency of the sourcing process and reduce the cost of procurement. Timely contracting, allocating a portion of risk to our suppliers, optimisation of material specifications and introduction of replacement raw materials, as well as active implementation of the commodity risk management with strengthening of causality analyses in the movements of procurement costs, are only some of the measures taken by the Company for the purpose of best estimates of price movements and the minimisation of market price volatility risk.

(iii) *Currency risk*

The carrying amounts of the Company's foreign currency denominated financial assets and financial liabilities at the reporting date are as follows.

	Liabilities		Assets	
	2025	2024	2025	2024
	<i>(in thousands of EUR)</i>		<i>(in thousands of EUR)</i>	
USA (USD)	1,113	681	3,089	3,394
Australia (AUD)	-	-	2,899	2,845
Poland (PLN)	-	-	2,250	2,634
Romania (RON)	-	-	919	973
Hungary (HUF)	260	97	828	367
Other currencies	13	36	502	510
	1,386	814	10,487	10,723

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 34 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Market risks (continued)

(iii) Currency risk (continued)

Foreign currency sensitivity analysis

The company conducts most of its transactions in EUR, therefore a large part of the currency risk is eliminated. However, the Company performs certain transactions in other foreign currencies so the highest exposure during 2025 was to changes in the exchange rate of the Euro against USD, AUD, PLN, RON and HUF.

During 2025, the application of the principles of transactional currency risk management within the framework of the Risk Management Policy continued. Through this Policy, the currency risk protection model has been improved by additional activities of monitoring market trends, regular analysis of all currencies in which there is exposure, and defining the possibility and scope of contracting permitted derivative financial instruments aimed at currency risk protection. This approach is applied to the group of currencies to which the Company has exposure that cannot be reduced by natural, balance sheet protection. Through the Bloomberg terminal, macroeconomic projections are regularly monitored and derivative financial instruments are contracted with the aim of managing currency risk.

During 2025, the Company realised fx forward contracts concluded in 2024 for managing currency risk of the USD and PLN.

The currency risk analysis is based on the official exchange rates for the currencies analysed above as per the Croatian Central Bank which were as follows:

	31 Dec 2025	31 Dec 2024
USD	1.1757	1.0444
AUD	1.7543	1.6756
PLN	4.2263	4.2655
RON	5.0969	4.9765
HUF	385.95	411.53

The following table details the Company's sensitivity to a 10% increase and decrease in euro against the relevant foreign currencies where the Company has significant exposure (USD, AUD, PLN, RON and HUF). With the transition of the Republic of Croatia to the euro as the local currency from 1 January 2023 the currency risk of that position was eliminated. The sensitivity analysis includes only outstanding cash items in foreign currency and their translation at the end of the period based on the percentage change in currency exchange rates. The sensitivity analysis includes monetary assets and monetary liabilities in foreign currencies. A negative number below indicates a decrease in profit where the Euro changes against the relevant currency for the percentage specified above. For an inversely proportional change of the Euro against the relevant currency, there would be an equal and opposite impact on the profit.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 34 – RISK MANAGEMENT (CONTINUED)

Financial risks (continued)

Market risks (continued)

(iii) Currency risk (continued)

Foreign currency sensitivity analysis (continued)

	USD exposure		AUD exposure	
	2025	2024	2025	2024
	<i>(in thousands of EUR)</i>		<i>(in thousands of EUR)</i>	
Increase/(decrease) of net result +10%	198	271	290	285
Increase/(decrease) of net result -10%	(198)	(271)	(290)	(285)

	PLN exposure		RON exposure	
	2025	2024	2025	2024
	<i>(in thousands of EUR)</i>		<i>(in thousands of EUR)</i>	
Increase/(decrease) of net result +10%	225	263	92	97
Increase/(decrease) of net result -10%	(225)	(263)	(92)	(97)

	HUF exposure	
	2025	2024
	<i>(in thousands of EUR)</i>	
Increase/(decrease) of net result +10%	57	27
Increase/(decrease) of net result -10%	(57)	(27)

(iv) Sales function based risks

The Company generates 52% (2024: 50%) of its revenue on the domestic market, whereas 48% (2024: 50%) of the sales are generated on international markets. The Company determines the selling price and rebates taking into account the macroeconomic conditions prevailing in each of the markets, which is at the same time the maximum sales function based risk.

As for operations on key markets, the Company expects increased risks related to the consolidation of the market and the strengthening of the bargaining power of customers, as well as the retention of the market position. In order to reduce this impact, the Company strives to diversify its customer base, further strengthen its own competitiveness by increasing efficiency, modernizing technology and strengthening product brands, as well as visibility through investments in marketing activities in order to respond to the price elasticity of end consumers.

The Company is making efforts through optimization of existing business models, pricing policies and price levels in markets where it operates to secure a basis for the continuing successful long-term sustainable growth and avoidance of profit margins erosion.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 34 – RISK MANAGEMENT (CONTINUED)

Business risks management

The company is also exposed to risks that result from regular business activities and are typical of the food industry. Significant risks include the risk of industry and competition, the risk of IT system disorders, the risks related to human capital and the climate impact risk.

Industry risks

In the food industry, market trends as well as consumer habits change in a very short period of time. Due to this risk, the Company seeks to constantly improve the processes and meet market conditions. In the food industry, where the focus is on products and brands, the Company complies with legislative, health and manufacturing regulations. The legal regulations according to which the production and sales processes within the Company are harmonized are subject to change, depending on the bodies that adopt them. By improving internal processes, the Company strives to eliminate most potential threats.

The continuing risks in global supply chains pose a challenge for food manufacturers. Volatility of prices on the market of agricultural and food raw materials, as well as the risk of unavailability of goods on the market due to increasingly frequent weather disasters caused by climate change (perennial droughts, floods, etc.), outbreaks of livestock diseases, volatility of energy sources, disruptions in supply chains, and political or social unrest in certain countries affects the rise in prices and the availability of raw materials. The risk of external shocks and unpreparedness for extraordinary demands is reduced by further developing competition among suppliers, process optimization, timely contracting of procurement, consolidating procurement volumes, as well as timely production planning and taking into account unpredictable circumstances.

Competition risk

The Company sells products both on the Croatian and international markets, and is exposed to numerous competitors in all product categories. Innovations, and continued high quality of products are important elements that the Company is paying attention to in order to be different from competition.

In addition, the reputation of the brand, or the Company, is intangible value that differentiates it from the competition and creates the advantage. Monitoring of consumer habits and preferences that are subject to constant changes, and adjustments to them, are one of a series of activities that the Company undertakes to maintain and increase the existing market positions and margins.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 34 – RISK MANAGEMENT (CONTINUED)

Business risks management (continued)

Risks of IT system disruptions

The Company intensely uses IT systems that enable it to efficiently manage the Company, communicate with customers and suppliers, and collect all the information that management can rely on in making decisions.

Given the high degree of automation of business processes through the use of IT systems, the Company takes the necessary measures to minimise IT system disruptions due to problems with IT equipment, the space in which it is located, viruses and unauthorised external breaches into the systems.

As each IT system potential disruption causes significant problems in operating systems and financial losses, the Company has implemented IT system recovery procedures.

The Company regularly implements proactive actions to improve the IT system security by applying the best recommended security practices.

Also, following the implementation of advance security monitoring systems, monitored on a daily basis, the risk of external breaches into the Company's IT systems is additionally reduced.

The Company has implemented and certified the IT security management system based on the ISO/IEC 27001:2022 standard.

Human resource risk management

Considering the challenges on the labour market and the general lack of labour force and the increasing number of shortage occupations in the Republic of Croatia, the Company observes these risks from the aspect of timely recruitment and retention of skilled labour and unfavourable age structure of employees and retirement in the coming years.

Accordingly, in 2025 the Company continued a number of activities to mitigate these risks such as employment of young workers from new pools, intensifying cooperation with educational institutions, employer image management, developing programs that encourage intergenerational and multicultural cooperation and understanding, programs for trainees and new employees, and improvements in the promotion and reward system.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 35 – SHARE-BASED PAYMENTS

Employee share options

Options for the purchase of Podravka d.d. shares were granted to key management of the Company. The exercise price of the granted option equals the weighted average share price of Podravka d.d. shares as per the Zagreb Stock Exchange in the year the option is granted. The vesting period normally starts at the date of option contract signed. Options are acquired separately for each business year.

All the mentioned deadlines are valid unless any of the circumstances foreseen by each of the contracts from the mentioned period have occurred, which refers to the early termination of the mandate, violation of the contract provisions, leaving the company, transfer to a new position within the company, in which case the options should generally be exercised within 6 months from the occurrence of any of the above-mentioned circumstances.

The following share-based payment options were effective as at 31 December 2025:

Date of issue	Number of options	Vesting terms	Contracted vesting period
<i>Options granted to key management</i>			
As at 30 April 2021	15,000	Employment until contracted vesting period	31 Dec 2026
Total	15,000		

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 35 – SHARE-BASED PAYMENTS (CONTINUED)

Employee share options (continued)

Fair value measurement i

The fair value of the employee share options is measured using the Black-Scholes formula. Measurement inputs include the share price on the measurement date, the exercise price of the instrument, expected volatility (based on an evaluation of the historical volatility of the share price, particularly over the historical period commensurate with the expected term), expected term of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). In accordance with the input variables used, the fair value estimate of the option is categorised in the fair value hierarchy as level 1 (note 7). Service and non-market performance conditions are not taken into account in determining fair value.

Input variables for calculation of fair value:

Share option programme for key management	2025	2024
Fair value at grant date (weighted average)	22	20
Share price at grant date (weighted average)	84	75
Exercise price (weighted average)	78	68
Expected volatility (weighted average)	23%	22%
Expected life (weighted average in years)	1,0	1,6
Risk-free interest rate (based on government bonds)	2.72%	2.62%

Expense recognised in profit or loss

	2025	2024
	<i>(in thousands of EUR)</i>	
Equity-settled share-based payment transactions	-	176

The exercise price of share options for key management falls within the range EUR 55 to EUR 78.

Movement in the number of share options and respective exercise prices in EUR is as follows:

	2025		2024	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at 1 January	58,300	68	73,300	66
Exercised	(43,300)	64	(15,000)	78
At 31 December	15,000	78	58,300	68
Unused as at 31 December	15,000	68	58,300	68

As at 31 December 2025 there are 15,000 of outstanding options (2024: 58,300 options). During 2025 43,300 options were exercised (2024: 15,000 options).

The weighted average exercise price of outstanding options at the end of 2025 is EUR 78 (2024: EUR 68). The price of all unexercised share options is lower than the share market price as at 31 December 2025. The weighted average remaining validity of options is 1 year at year end (2024: 1.6 years).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 35 – SHARE-BASED PAYMENTS (CONTINUED)

Shares for the Company's management

At the level of the Company, there are long-term plans for the allocation of shares to the Company's key management for the period from 2025 to 2026.

The share allocation program applies to the Company's Management Board, and the right is acquired in the event that a member of the Management Board has the right to the payment of an annual bonus. The total number of shares to which a member of the Management Board is entitled for a particular business year is determined by multiplying a certain number of monthly salaries by the amount of monthly salary expressed in gross amount and subsequently divided by the share price of the Company, which is calculated as the average price realized on the Zagreb Stock Exchange during the six months preceding the date of the decision of the Supervisory Board. The Supervisory Board shall determine the number of shares to be awarded to a member of the Management Board in such a way that the total number of shares is reduced by the number of shares whose market value on the date of award corresponds to the value of the legally required duties.

In accordance with the plan for the allocation of shares to key management for 2025, the Company's Management Board has acquired the right to allocate shares for 2025, which will be allocated within 30 days of the Supervisory Board's decision in 2026. With the last share price of EUR 151.50 on 31 December 2025, the estimate of the number of shares without reduction for prescribed duties is 2,300 shares.

During 2025, in accordance with the right for 2024, 3,418 shares (minus prescribed benefits) were allocated to the members of the Management Board, 1,320 shares (minus prescribed benefits) that make up the remaining 50% of shares for 2023 and 1,945 shares (minus prescribed benefits) that make up the remaining 50% of shares for 2022. Shares were allocated to 5 members of the Management Board.

During 2024, in accordance with the right for 2023, 1,320 shares (minus prescribed duties) were allocated to 5 members of the Management Board, and 589 shares (minus prescribed duties) in accordance with the right from 2022 to 2 members of the Management Board.

Fair value measurement

Variables in measuring the cost of share-based payment transactions are the gross salary, the number of gross salaries and the share price on the measurement date.

Recognized in profit or loss

	2025	2024
	<i>(in thousands of EUR)</i>	
Equity-settled share-based payment transactions	422	592

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 36 – RELATED PARTY TRANSACTIONS

Transactions with subsidiaries

REVENUE

Sales revenue

	Revenue from sale of products and merchandise		Revenue from services	
	2025	2024	2025	2024
	<i>(in thousands of EUR)</i>		<i>(in thousands of EUR)</i>	
Company:				
Podravka d.o.o. Sarajevo, Sarajevo	29,999	30,541	129	116
Podravka d.o.o. Ljubljana, Ljubljana	21,013	21,545	422	408
Podravka-Polska Sp.z o.o., Warsaw	12,118	12,567	118	107
Podravka d.o.o.el Petrovec. Petrovec	12,001	12,126	64	53
Podravka-Int.Deutschland-"Konar" GmbH, Munich	11,731	11,041	19	29
Podravka d.o.o. Beograd, Belgrade	11,674	12,689	77	75
Podravka USA Inc., New York	7,986	11,157	897	672
Podravka d.o.o. Podgorica, Podgorica	6,991	6,010	37	36
Podravka-International Pty. Ltd., Silverwater	5,126	5,775	15	14
Mirna d.d., Rovinj	3,435	4,313	297	278
Podravka – Lagris a.s., Dolni Lhota u Luhačovic	3,358	3,076	119	83
Podravka International s. r. l., Bucharest	3,208	3,019	19	33
Podravka-International Kft., Budapest	3,018	3,287	32	29
Podravka-International s r.o., Zvolen	2,915	3,046	46	42
Žito d.o.o., Ljubljana	701	59	612	474
Podravka EOOD, Sofia	505	583	4	6
Belje plus d.o.o., Darda	277	-	47	-
Belupo d.d., Koprivnica	11	45	2,210	1,735
PIK-VINKOVCI plus d.o.o., Vinkovci	6	-	-	-
Podravka Agri d.o.o., Osijek	-	-	867	-
Farmavita d.o.o. Sarajevo, Vogošće	-	-	119	68
Belupo d.o.o. Ljubljana, Ljubljana	-	-	11	10
Ljekarne Deltis Pharm, Koprivnica	-	1	3	3
Belupo d.o.o. Bratislava, Bratislava	-	-	4	3
Belupo d.o.o.el Skopje, Skopje	-	-	4	3
Total related party sales	136,073	140,880	6,172	4,277

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 36 – RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions with subsidiaries (continued)

REVENUE (continued)

Investment revenue

	2025	2024
	<i>(in thousands of EUR)</i>	
Dividends from subsidiaries	31,767	13,895
Interest and fee income	834	445
	32,601	14,340

EXPENSES

Supervisory Board and Management Board compensation

During the year, the Company paid the following compensation to the members of the Management Board:

	2025	2024
	<i>(in thousands of EUR)</i>	
Salaries, bonuses and other benefits	1,708	1,482
Share-based payments	3,478	1,499
	5,186	2,981

During 2025, the Management Board of the Company consisted of 5 members (2024: 5 members). During 2025, share-based payments were realized from active members of the Management Board in the amount of EUR 3,478 thousand (2024: EUR 1,499 thousand). See note 35 for details.

During 2025, a total of EUR 425 thousand was paid as compensation to members of the Supervisory Board and the Audit Committee (2024: EUR 386 thousand).

LOANS RECEIVABLE

Loans receivable

	2025	2024
	<i>(in thousands of EUR)</i>	
At beginning of year	13,967	13,950
Increase during the year	19,037	3,066
Repayments received	(14,100)	(3,296)
Other changes	-	245
Foreign exchange difference	-	2
At end of year	18,904	13,967
Maturity: within one year	(12,300)	(13,967)
Non-current loans receivable	6,604	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 36 – RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions with subsidiaries (continued)

LOANS RECEIVABLE (CONTINUED)

Loans receivable (continued)

The reported net receivables from related parties include loans to subsidiaries as follows:

	Interest rate	2025	2024
		<i>(in thousands of EUR)</i>	
Mirna d.d., Rovinj	4.38 % p.a.	10,600	10,600
Belje plus d.o.o., Darda	4.38 % p.a.	4,000	-
Podravka Agri d.o.o., Osijek	4.38 % p.a.	2,604	1,067
Podravka d.o.o., Ljubljana	3.15% p.a.	1,000	-
Podravka – Lagris a.s., Dolni Lhota u Luhačovic	4.38 % p.a.	700	2,300
		18,904	13,967

The average weighted interest rate is 4.32 % p.a. The maturities of long-term borrowings are as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
2 – 5 years	6,604	-
	6,604	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 36 – RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions with subsidiaries (continued)

TRADE RECEIVABLES AND PAYABLES

	Current trade receivables		Current trade payables	
	2025	2024	2025	2024
	<i>(in thousands of EUR)</i>		<i>(in thousands of EUR)</i>	
Company:				
Mirna d.d., Rovinj	5,982	6,581	881	1,288
Podravka-International Pty. Ltd., Silverwater	2,898	2,710	-	-
Podravka d.o.o. Beograd, Belgrade	2,409	5,539	-	-
Podravka d.o.o. Sarajevo, Sarajevo	2,059	2,504	17	6
Podravka USA Inc., New York	1,815	2,228	-	-
Podravka-Polska Sp.z o.o., Warsaw	1,704	1,996	-	-
Podravka d.o.o. Ljubljana, Ljubljana	1,298	722	-	5
Podravka d.o.o.el Petrovec, Petrovec	1,018	1,180	-	6
Podravka International S. R. L., Bucharest	919	973	-	-
Podravka-Int.Deutschland-„Konar“ GmbH, Munich	873	452	-	-
Belupo d.d., Koprivnica	860	1,124	101	163
Podravka d.o.o. Podgorica, Podgorica	799	683	-	-
Žito d.o.o., Ljubljana	791	201	1,831	1,944
Podravka-International Kft., Budapest	687	367	-	-
Podravka – Lagris a.s., Dolni Lhota u Luhačovic	481	757	116	215
Podravka-International s r.o., Zvolen	327	458	-	-
Podravka Agri d.o.o., Osijek	249	647	4	-
Podravka EOOD, Sofia	167	22	-	-
Belje plus d.o.o., Darda	81	-	22	-
Farmavita d.o.o. Sarajevo, Vogošća	40	24	-	-
PIK-VINKOVCI plus d.o.o., Vinkovci	4	-	-	-
Podravka Gulf Fze, Dubai	1	-	35	313
Belupo d.o.o. Ljubljana, Ljubljana	1	1	-	-
ENERGIJA GRADEC d.o.o., Sesvete	-	-	1	-
Belupo d.o.o.el Skopje, Skopje	-	3	-	-
Ljekarne Deltis Pharm, Koprivnica	-	-	-	1
Total current related party receivables and payables	25,463	29,172	3,008	3,941

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 36 – RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions with subsidiaries (continued)

OTHER RECEIVABLES

Deposit receivables from related parties

	2025	2024
	<i>(in thousands of EUR)</i>	
Podravka AGRI d.o.o., Osijek	-	15,000
	-	15,000

Interest receivables from related parties

	2025	2024
	<i>(in thousands of EUR)</i>	
Mirna d.d., Rovinj	830	366
FOODPRO Limited, Dar es Salaam	88	99
Podravka Agri d.o.o., Osijek	29	3
Belje plus d.o.o., Darda	5	-
Podravka – Lagris a.s., Dolni Lhota u Luhačovic	3	6
Podravka Ljubljana d.o.o. Ljubljana	3	-
PIK-VINKOVCI plus d.o.o., Vinkovci	1	-
Write-offs	(422)	(96)
	537	378

Guarantees and warranties to subsidiaries

	2025	2024
	<i>(in thousands of EUR)</i>	
Belje plus d.o.o., Darda	14,713	-
PIK-VINKOVCI plus d.o.o., Vinkovci	4,114	-
Vupik plus d.o.o., Vukovar	3,880	-
ENERGIJA GRADEC d.o.o., Sesvete	329	-
Belupo d.d., Koprivnica	26	24
Podravka – Lagris a.s., Dolni Lhota u Luhačovic	-	1,427
Podravka International USA Inc., New York	-	779
	23,062	2,230

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 36 – RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions with subsidiaries (continued)

BORROWINGS

	2025	2024
	<i>(in thousands of EUR)</i>	
Belupo d.d., Koprivnica	50,500	46,272
ENERGIJA GRADEC d.o.o., Sesvete	9,000	-
Vupik plus d.o.o., Vukovar	4,500	-
Podravka Polska SP.z o.o., Warsaw	3,000	3,000
Žito d.o.o., Ljubljana	1,500	-
Podravka-Int.Deutschland-„Konar“ GmbH, Munich	1,400	700
Podravka Agri d.o.o., Osijek	1,150	-
Žito maloprodaja d.o.o., Ljubljana	1,000	1,000
Podravka Gulf FZE, Dubai	465	-
Podravka-International Kft., Budapest	259	97
	72,774	51,069

In 2025, the Company used borrowings from subsidiaries.

INTEREST PAYABLE

	2025	2024
	<i>(in thousands of EUR)</i>	
Belupo d.d., Koprivnica	185	128
ENERGIJA GRADEC d.o.o., Sesvete	33	-
Vupik plus d.o.o., Vukovar	17	-
Podravka Polska SP.z o.o., Warsaw	10	50
Podravka-Int.Deutschland-„Konar“ GmbH, Munich	5	2
Žito d.o.o., Ljubljana	5	-
Podravka Agri d.o.o., Osijek	4	-
Belje plus d.o.o., Darda	4	-
Žito maloprodaja d.o.o., Ljubljana	3	4
Podravka Gulf FZE, Dubai	2	-
Podravka-International Kft., Budapest	1	-
	269	184

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 37 – CONTINGENT LIABILITIES

	2025	2024
	<i>(in thousands of EUR)</i>	
Guarantees – related parties	23,062	2,230
Guarantees – third parties	1,214	1,837
	24,276	4,067

Guarantees and warranties given relate to the potential liability of the Company on the basis of borrowings of related parties toward banks. In addition, they relate to Company's contingent liabilities on the basis of customs guarantees and performance guarantees given to customers.

With respect to guarantees and warranties granted, contingent liabilities have not been recognised in the separate statement of financial position as at 31 December, as management estimated that as at 31 December 2025 and 31 December 2024 it is not probable that they will result in liabilities for the Company.

NOTE 38 – COMMITMENTS

In 2025, the purchase costs of tangible fixed assets contracted with suppliers amounted to EUR 3,964 thousand (2024: EUR 4,769 thousand), which are not yet realised or recognised in the statement of financial position.

The future payments under operating leases in 2025 relate to other operating leases as follows:

	2025	2024
	<i>(in thousands of EUR)</i>	
Up to 1 year	92	616
	92	616

NOTE 39 – EVENTS AFTER THE REPORTING DATE

There were no significant events after the balance sheet date that would require reconciliation or disclosure in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 40– APPROVAL OF FINANCIAL STATEMENTS

The financial statements were adopted by the Management Board and approved for issue on 27 March 2026.

Signed on behalf of the Company on 27 March 2026:

Martina Dalić

President of the Management Board



Davor Doko

Member of the Management Board



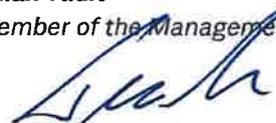
Ljiljana Šapina

Member of the Management Board



Milan Tadić

Member of the Management Board



Ivan Ostojić

Member of the Management Board



Podravka 
PREHRAMBENA INDUSTRIJA D.D.
KOPRIVNICA 173

Podravka d.d.

Ante Starčevića 32

48 000 Koprivnica

Republic of Croatia

Koprivnica, March 27th 2026

**STATEMENT FROM EXECUTIVES RESPONSIBLE FOR PREPARATION OF
FINANCIAL STATEMENTS**

According to our best knowledge unconsolidated audited financial statements of Podravka Inc. for the period 1 – 12 2025 have been prepared in compliance with the Accounting Act of the Republic of Croatia and International Financial Reporting Standards as adopted by the European Union (EU IFRS) and provide an complete and true presentation of assets, liabilities, profit and loss, financial position and business operations.

Corporate Accounting Director:
Katarina Petković



Board Member:

Davor Doko



Podravka
PREHRAMBENA INDUSTRIJA D.D.
KOPRIVNICA 173

No: MB-104-2026.
Zagreb, 27th March 2026

Pursuant to Articles 250a, 300a and 300b of the Companies Act (Official Gazette No. 152/11 – cleared version, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23 and 136/24), Articles 462 and 463 of the Capital Market Act (Official Gazette No. 65/18, 17/20, 151/22 and 85/24) and Article 21 of the Accounting Act (Official Gazette No. 85/24 and 145/24), the Management Board of PODRAVKA Inc. on its 239th session held on 27th March 2026 adopted the

DECISION
on establishing of the Annual Report of PODRAVKA Inc. for the year 2025

I.

The Annual Report of the PODRAVKA Inc (hereinafter: the Company) for 2025 is hereby established, consisting of the annual financial statements of PODRAVKA Inc., the Report of the independent auditors Ernst & Young Ltd and Grant Thornton audit Ltd on the audit performed and the Annual Report of the Management Board on the state of the Company which is attached to this Decision and forms its integral part.

II.

The annual financial statements of the Company from article I of this Decision consists of:

1. Statement of financial position (Balance sheet)
2. Statement of profit and loss
3. Statement of other comprehensive income
4. Statement of cash flow
5. Statement of changes in equity
6. Notes to financial statements

III.

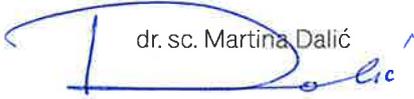
The Statement of profit and loss for the year 2025 is established and shows net profit in the amount of EUR 49,208,475.14.

The Statement of financial position as of 31 December 2025 shows the sum of total assets in the amount of EUR 921,453,472.46.

IV.

The statements from article I of this Decision, prepared by the Management Board of PODRAVKA Inc., shall be submitted to Supervisory Board of PODRAVKA Inc. for examination and approval.

President of the Management Board:


dr. sc. Martina Dalić

No: MB-106-2026.
Zagreb, 27th 2026

In accordance with Articles 280 par 3 and 300.b par 2 of the Company Law (Official Gazette No 152/11 – clear version, 111/12, 68/13, 110/15, 40/19, 34/22, 18/23, 114/22, 18/23, 130/23 and 136/24), the Management Board of PODRAVKA Inc. on its 239th session held on 27th March 2026, adopted the following

**DECISION PROPOSAL
on profit distribution of PODRAVKA Inc. for the year 2026**

I.

It is determined that net profit of PODRAVKA Inc. (hereinafter: the Company) for the year 2025 stated in the audited annual financial statements of the Company amounts to EUR 49,208,475.14.

II.

From the net profit referred to in point I of this Decision Proposal, a dividend in the gross amount of EUR 3.20 per share will be paid to the shareholders of the Company.

The dividend will be paid to the Company's shareholders, holders of shares that are registered as an electronic record in their book-entry securities accounts, and which are registered in the central depository of the Central Depository and Clearing Company Inc. on June 30th 2026 (record date).

Date on which shares of the Company will be traded without dividend payment right is June 29th 2026 (ex date).

Dividend payment claim will be due on July 10th 2026 (payment date).

The total maximum amount of dividend amounts to EUR 22,784,009.60. Paid amount of dividend will depend on the number of shares belonging to registered shareholders at the Central Depository & Clearing Company Inc. (reduced for dividend on treasury shares).

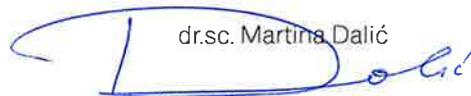
III.

After the dividend referred to in point II of this Decision Proposal has been paid, the remaining part of the net profit shall be allocated to retained earnings.

IV.

It is proposed to the Supervisory Board of the Company to agree with this Decision Proposal, and that the agreed proposal be sent to the General Assembly of the Company for decision-making.

President of the Management Board:


dr.sc. Martina Dalić

No: SB-96-1-2026.
Koprivnica, 31st March 2026

Pursuant to Articles 300.c and 300.d of the Company Act (Official Gazette no. 152/11.-clear version, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23 and 136/24) and Article 4 of the Rules of Procedure of the Company Supervisory Board, the Supervisory Board of PODRAVKA Inc. at its 96th session held on 31st March 2026, adopted the following

DECISION

**on the Approval to Decision of Management Board of PODRAVKA Inc.
on establishing of the Annual Report of PODRAVKA Inc. for the year 2025**

I.

The Approval is hereby given to Decision of Management Board of PODRAVKA Inc., MB-104-2026 on establishing of the Annual Report of PODRAVKA Inc. for the year 2025.

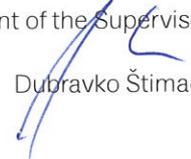
II.

Decision of the Management Board of PODRAVKA Inc. No: MB-104-2026 of 27th March 2026 is attached to this Decision and makes its integral part.

III.

This Decision shall enter into force on the day of its adoption.

President of the Supervisory Board:


Dubravko Štimac

Attachment:

Decision of the Management Board of PODRAVKA Inc. No: MB-104-2026 of 27th March 2026

No: SB-96-3-2026.
Koprivnica, 31st March 2026

In accordance with Articles 263 par 3 and 280 par 3 of the Company Law (Official Gazette No 152/11 – clear version, 111/12, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23 and 136/24), Article 26a of the Articles of Association of PODRAVKA Inc. and Article 4 of the Rules of Procedure of the Supervisory Board of PODRAVKA Inc., the Supervisory Board of PODRAVKA Inc. on its 96th session held on 31st March 2026, adopted the following

**DECISION PROPOSAL
on profit distribution of PODRAVKA Inc. for the year 2025**

I

It is determined that net profit of PODRAVKA Inc. (hereinafter: the Company) for the year 2025 stated in the audited annual financial statements of the Company amounts to EUR 49,208,475.14.

II

From the net profit referred to in point I of this Decision Proposal, a dividend in the gross amount of EUR 3.20 per share will be paid to the shareholders of the Company.

The dividend will be paid to the Company's shareholders, holders of shares that are registered as an electronic record in their book-entry securities accounts, and which are registered in the central depository of the Central Depository and Clearing Company Inc. on June 30th 2026 (record date).

Date on which shares of the Company will be traded without dividend payment right is June 29th 2026 (ex date).

Dividend payment claim will be due on July 10th 2026 (payment date).

The total maximum amount of dividend amounts to EUR 22,784,009.60. Paid amount of dividend will depend on the number of shares belonging to registered shareholders at the Central Depository & Clearing Company Inc. (reduced for dividend on treasury shares).

III

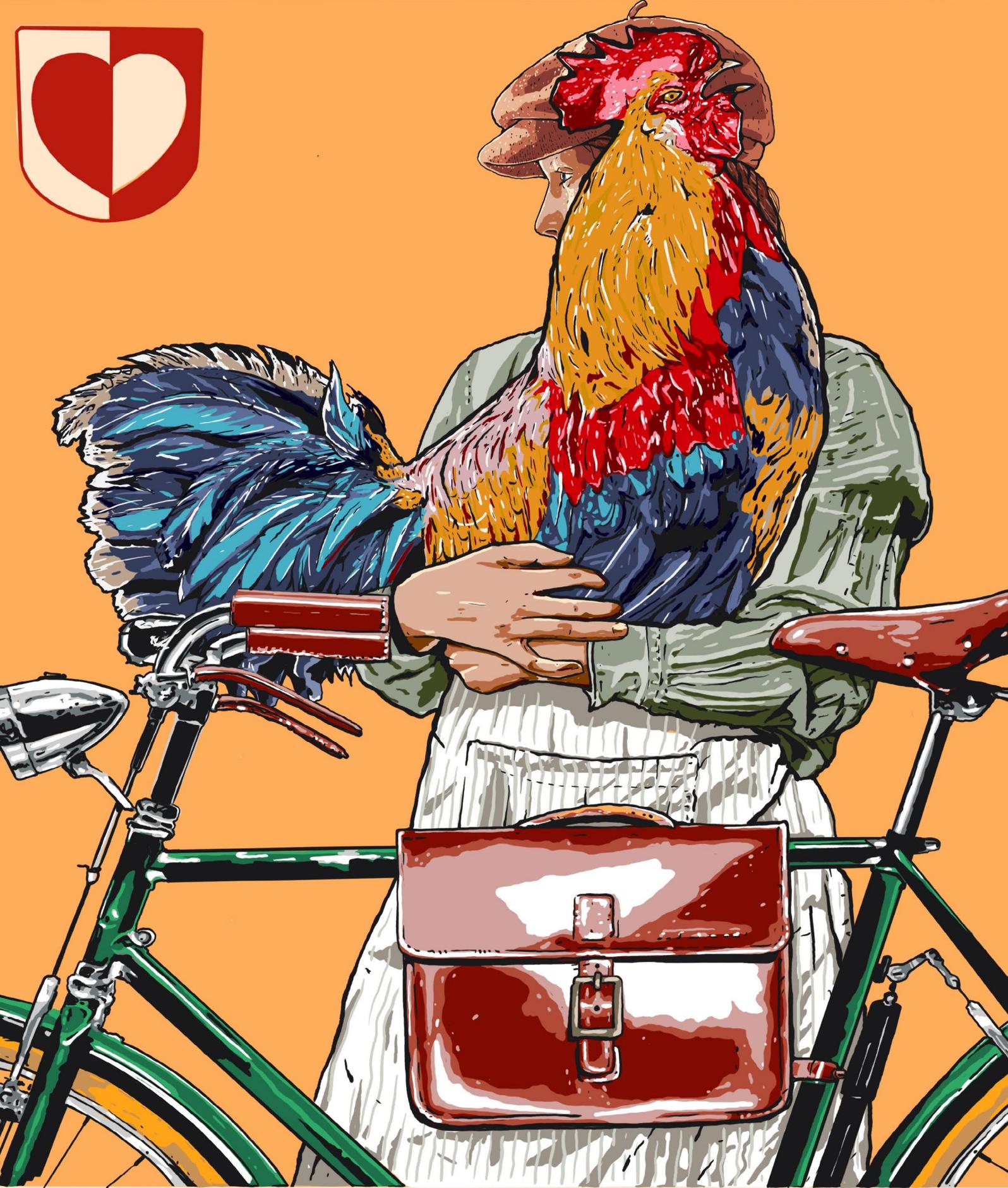
After the dividend referred to in point II of this Decision Proposal has been paid, the remaining part of the net profit shall be allocated to retained earnings.

IV

This Decision Proposal will be submitted to the General Assembly of the Company for adoption.

President of the Supervisory Board:

Dubravko Štimac



PODRAVKA



Creating a tastier world.
Always with a heart.